

# Management RECORD

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- Role of Foremen in Bargaining
- College Recruitment – 1957
- Fringe Benefits for Supervisors
- Management Record Index, 1956



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NATIONAL INDUSTRIAL CONFERENCE BOARD, INC.

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# Management Record

January, 1957

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## • In the Record •

### Role of Foremen in Collective Bargaining

More than any other member of management, the foreman has the experience of working directly with the union contract. Any difficulties that arise over its interpretation will likely be his immediate headache, just as he knows the various sections of the contract that work smoothly and cause no friction.

Because of this intimate knowledge, a great many companies encourage their foremen to make suggestions for changes when a new contract is to be negotiated. A smaller number of companies go even further: they also have their foremen sit in on the actual bargaining sessions—sometimes as participants, more often as observers.

The article starting on the next page, which is based on a survey of 213 firms, reports on the various methods companies use to get their foremen's suggestions for contract changes, as well as what happens when foremen are in on the actual bargaining. Finally, a section is devoted to the kind and amount of communication that companies use to inform their foremen on how negotiations are proceeding—which may be oral or written statements ranging from the most general sort of summary to verbatim reports.

### Fringe Benefits for Exempt Supervisors

A great deal has been written about the importance of maintaining a sufficient pay differential for the supervisor as compared with the men who work under him. But what about fringes, which are often considered part of the total pay package? Is the supervisor favored over the rank-and-file workers when it comes to vacations, severance pay, group insurance and pensions, to mention a few?

According to a survey of 363 companies, the answer to this question is yes and no. That is, a majority of companies may favor supervisors with extra vacation privileges, but rank-and-file employees are more often covered by group accident and sickness insurance. In the article starting on page 10, twelve fringe areas are considered separately as they affect supervisors in the surveyed companies.

### College Recruitment in 1957

In spite of today's booming economy, industry is still feeling the results of the Depression in at least one area. Today's college seniors were born in the low birth-rate years of the mid-Thirties. And this means that even though starting salaries for graduates will be higher than ever, company recruiters will continue to have a difficult time in filling their quotas.

But companies should note that raising starting rates after the interviewing season has begun does not seem to

produce the desired results. In fact, according to the article starting on page 6, companies that held the line last year consistently did better in filling their quotas than companies that increased their offerings.

However, the dilemma is not all on the employer's side. Of four groups surveyed—sales, general business, accounting and engineers—the engineer will receive the highest starting salary this year, and he will be the most sought after of all graduates. But he tends to lose this advantage after five years. And by the tenth year, he has become low man on the totem pole. "College Recruitment in 1957" discusses these and other problems in its survey of the current college interviewing season.

### Plan for White Collar Unionization

Today, a year after the merger of the AFL and the CIO, the expected huge organizing drive has not materialized. But at a meeting called by the AFL-CIO Industrial Union Department, the union leaders discussed how to organize one large segment of nonunion workers—the white collar employees.

Many union leaders feel that there are economic factors favorable to white collar organization at this time. They point out that salaried employees are no longer in an advantageous economic position as compared to factory workers. And they also contend that automation poses an immediate threat to white collar jobs.

However, according to "Labor Press Highlights" on page 14, the AFL-CIO's director of organization sees one strong factor operating against this drive. The white collar worker still thinks that individual action is the key to personal achievement. So, the union's spokesman argues, they must be convinced that "it is through group action and group identification [that their] personal interests can best be realized."

### Wage Increases Outpace Price Rise

The year 1956 ended as it began—with wage increases estimated at close to a dime an hour. THE CONFERENCE BOARD's regular monthly series of confirmed wage adjustments also reveals that long-term contracts are now the rule, with more than 60% of new contracts running for two years or more. Along with this, automatic increases are becoming a regular feature. Details by company and industry can be found in the table accompanying the regular article on page 26.

Offsetting a portion of the bigger pay envelope are the higher prices that the consumer must pay for his goods and services. "Purchasing Power of Dollar Declines" gives the details on prices. It starts on page 17.

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# Role of Foremen in Collective Bargaining

**Getting suggestions from supervisors for contract changes is often valuable, and some companies have foremen sit in on the bargaining sessions**

**S**INCE THE FOREMAN is the man who must live with the union contract, many firms believe he should have something to say about what goes into it. However, what his say amounts to ranges all the way from "being asked for suggestions" to "actually participating in the bargaining."

THE CONFERENCE BOARD asked 213 firms what part their supervisors play in collective bargaining. The following is a summary of the findings:

- Almost all firms encourage their supervisors to submit suggestions for union contract changes based on their experience of living with the contract. However, how companies go about soliciting these suggestions, and the type of suggestions they look for, varies from company to company.

- Only sixty-one companies (29%) have their foremen and supervisors sit in on the actual negotiation sessions. And in only fifteen of these do they participate as active members of the bargaining team; in nine they act as technical advisors and occasional speakers on specific issues; and in thirty-seven companies they are merely observers.

- The great majority of these companies communicate with their foremen and supervisors regarding negotiations. How they communicate and what they communicate varies from company to company. Six use written communications only; ninety-seven use meetings only; and seventy-six use both media. While a few companies make it a practice to distribute complete minutes of bargaining sessions to supervisors, the majority give their foremen only a summary of what happened.

## GETTING THE FOREMEN'S SUGGESTIONS

Practically all companies report that before entering collective bargaining they solicit suggestions for contract changes from their foremen and supervisors. To get these suggestions they use one or more of the following four methods:

### 1. Meetings

The meeting technique generally used is for the company to call the supervisors together a month or two prior to negotiations. Rather than have one big meeting, most firms call a series of smaller meetings. In these meetings, the supervisors examine the contract

section by section. They bring to the discussion leader's attention those sections they have found troublesome and cite their difficulties.

A large California company describes its experience with this type of meeting:

"A cross section of fifty to one hundred supervisors is selected from various operating and staff departments and divided into groups of fifteen each. A team of labor relations representatives, headed by the industrial relations manager, go over the current contract and request their suggestions as to additions, deletions or revisions. These meetings are usually quite productive and assist the industrial relations manager in arriving at sound, workable solutions."

The committee system is another meeting technique used for examining the union contract. A company of approximately 750 employees reports on its use of this system:

"Several weeks in advance of bargaining, committees are selected from the supervisory group to study each major provision of the agreement. The committees bring

**Table 1: Company Practice Regarding Solicitation of Suggestions for Contract Changes from Foremen and Supervisors in 213 Companies**

Practice	No. of Cos.
Company solicits suggestions for contract changes .....	205
Company does not solicit suggestions .....	7
No answer .....	
<b>Total .....</b>	<b>213</b>

**Table 2: Company Practice Regarding Participation by Foremen and Supervisors in Contract Negotiations in 213 Companies**

Practice	No. of Cos.
<b>Participate to some extent .....</b>	<b>61</b>
As active members of bargaining team .....	15
As technical advisors on specified issues .....	9
As observers only .....	37
<b>Do not participate .....</b>	<b>147</b>
No answer .....	5
<b>Total .....</b>	<b>213</b>







ists interview their foremen. The interviewers get both the foremen's reaction to various contract sections and their ideas for changes. The advantage of this method, say executives who use it, is that it gets on paper the ideas of often inarticulate foremen who, while good at their particular jobs, may not be able to put their ideas in writing. Because of this inability, these executives say that if their foremen were asked to fill out a questionnaire, they would not get the valuable comments that the firm really wants.

#### 4. Contract Booklets

Contract booklets are frequently used as a means for getting the supervisor's suggestions for contract changes. When a new contract is signed, the company prints contract booklets, using one side of a sheet only; the other side is left blank (see Example B). These booklets are distributed to foremen. Then, as problems arise during the year concerning the interpretation or administration of any clauses, the foreman records this information in his booklet on the blank page opposite the troublesome clause.

Companies use several methods to correlate this information. Some collect all contract booklets a few months before negotiations and record the information that has been set down by the foremen. Others have their foremen orally expand upon the information in their booklets, either to trained interviewers or before small supervisory meetings.

#### VALUE OF GETTING FOREMEN'S SUGGESTIONS

One of the most often cited values of getting the foremen's suggestions for contract changes is that it

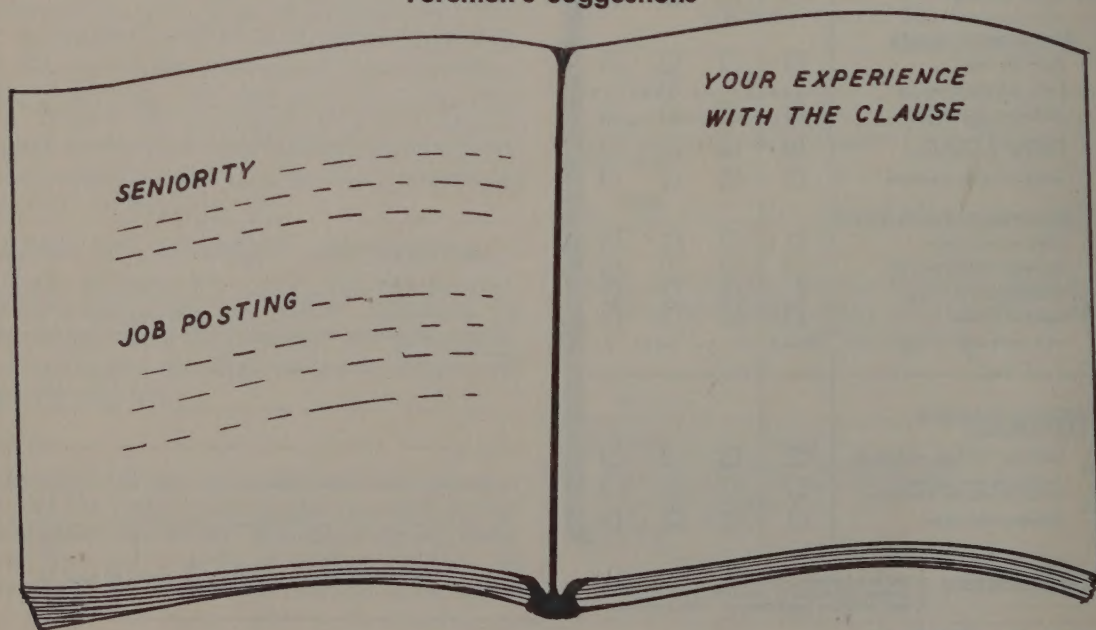
gives foremen the feeling of being on the management team and participating in management decisions. Also, companies say that in three particular contract areas they have found foremen's suggestions for changes of special help. These are:

- Seniority—especially those sections dealing with probationary periods, layoff, rehiring, upgrading transfers and job posting.
- Wage payment—especially sections dealing with job evaluation, time standards and merit rating.
- Discipline—especially sections dealing with the warning systems to be used by supervisors, and the record keeping of rule infractions.

Comments from supervisors also bring to light instances in which both foremen and union shop stewards have difficulty in interpreting specific sections because of ambiguous language. In negotiations, management and union officials try to rewrite these sections so they can be more easily understood.

Getting their supervisors' help, companies report, sometimes brings unlooked-for benefits. One large utility company, for example, found, in the course of securing its supervisors' suggestions for contract changes, that the supervisors in various sections of the plant were interpreting contract provisions differently. This clearly indicated the need for supervisory training classes on the union contract. A midwestern company reports that its negotiators got a better understanding of internal union problems by meeting with foremen who were in close contact with the union's membership. And a Pennsylvania firm says that foremen meetings aid in getting an insight into

#### Example B: Contract Booklet with Write-in Space for Foremen's Suggestions





which union demands are real and which are just "window dressing."

A few companies say that they have run into problems in attempting to get advice and information from their supervisors and foremen. One company official states: "Most foremen are too emotional about bargaining to be useful." Another feels that their supervisors' views are apt to be on a "personality rather than on a policy basis." A third company mentions that "the supervisors are usually more concerned with administrative and operating problems than with cost items."

### THE FOREMAN SITS IN ON BARGAINING

While almost all 213 companies ask their supervisors for their suggestions prior to negotiations, only sixty-one companies, as formerly stated, have them sit in on negotiations. In fifteen of these companies, they are active members of the bargaining team; in nine they act as technical advisors and occasional speakers; and in thirty-seven companies, they are only observers. Table 3 indicates that there is some correlation between company size and whether foremen actively participate in the bargaining or merely observe the sessions. A greater proportion of the small companies have the foremen actually participate, while in the very large companies a greater proportion have them sit in as observers.

### Getting Participation

Once a company makes the decision to have its foremen sit in as members of management's bargaining team, it faces two questions:

- What foremen shall be on the bargaining team?
- What subjects will the foremen handle in bargaining sessions?

As much as possible, companies solve the question of "Who shall bargain?" by letting the foremen decide themselves. In a West Coast company the supervisors, in a mass meeting, select their permanent representatives on the management team. In a Texas company, the foremen in each department choose one of their number to sit in on the bargaining sessions for a one-month period; these men then report back to departmental supervisory meetings. In all cases, the company makes the decision as to what subjects the foremen shall present in bargaining.

An eastern firm uses a novel method. Management picks three foremen to be members of the bargaining team and assigns them a subject to present at the first week's bargaining sessions. At the end of the first week, they in turn pick three foremen who will participate in the second week's bargaining. Management assigns these new members a new subject to develop and present. And the same thing happens each week for as long as negotiations last. The vice-president of this company reports that, in one long bargaining

Table 3: Distribution, by Size of Company, of Sixty-one Companies that Permit Participation by Foremen and Supervisors in Bargaining Negotiations

Practice	Total	Size of Company			
		1-249 Em- ployees	250-999 Em- ployees	1,000- 4,999 Em- ployees	5,000 and Over Em- ployees
Foremen and super- visors are active members of bargain- ing team .....	15	3	3	7	2
Foremen and super- visors act as ob- servers only .....	37	1	10	14	12
Foremen and super- visors act as technical advisors on specific issues .....	9	1	0	5	3
Total .....	61	5	13	26	17
Total number of com- panies in survey, by size .....	213	26	48	67	72
Proportion of total companies permitting some degree of par- ticipation by super- visors in negotiations	28.6%	19.2%	27.1%	38.8%	23.6%

period, they secured the participation of thirty foremen, of whom only the first three were chosen by management. Moreover, he says, the down-to-earth bargaining done by foremen was effective in dealing with shop problems and secured the respect of the union's negotiating team for the supervisory staff.

### Value of Participation

With but few exceptions, executives of the sixty-one companies that have their foremen and supervisors sit in on negotiations find considerable value in this procedure. They attribute one or more of the following advantages to foreman participation.

1. **Increases the Foreman's Status.** The very fact that the foreman either participates or sits in on negotiations develops a feeling that he is part of the management team. It also helps increase his status vis-a-vis that of the shop steward or union committeeman who participates in bargaining.

2. **Better Communications Among Foremen.** As one company official states: "This provides a quick channel of communication for other supervisory employees. It gets the word around to other supervisors as quickly as the union spreads it." Frequently, the supervisors who are chosen to sit in on negotiations are specifically instructed by their fellow supervisors to pass the word along.

In a paper company, the following procedure is followed:

"During negotiations we have six or eight supervisors, on a rotating basis, sit in as observers at  
(Continued on page 21)



# College Recruitment in 1957

Dr. Endicott's annual survey shows a similar pattern to previous years — with some interesting sidelights to consider

WITH A REGULARITY that is becoming monotonous, a current survey indicates that in 1957 American companies will once again be going after more college graduates than ever before, and they will also be offering higher starting salaries. More specifically, companies will be seeking almost one-third again as many recruits as in 1956, and they will be paying these graduates about \$5,000 their first year.<sup>1</sup>

These facts and many more are contained in the Eleventh Annual Report of Dr. Frank S. Endicott of Northwestern University. Two hundred companies cooperated in the survey.<sup>2</sup> They submitted information about their plans for 1957 to Dr. Endicott in November, 1956; he released his findings in December.

Quotas for various job areas, such as engineering, accounting, sales, etc., are shown in Table 1. However, it is a foregone conclusion that many companies will fail to reach the goals they have set for themselves in 1957. And this has been true for several years, particularly in respect to the quotas for technical graduates. These men have been in short supply for a decade. Other fields that will be especially active in 1957 are sales, finance, and insurance.

About one-third of the companies in the Endicott survey recruit coeds by campus visits.<sup>3</sup> The 1957 quota for women graduates is 1,128, compared with 964 last year. Girls who have secretarial skills and those with

technical majors are expected to have little difficulty getting jobs, since they will be in special demand.

## MORE SCHOOLS TO BE CANVASSED

In an effort to obtain more recruits, companies usually decide to visit more colleges. Thus, 111 of the

**Table 1: Employment Quotas for Inexperienced College Men for 1956 and 1957 as Reported by 192 Companies\***

Field	1956		1957	
	No. Cos.	No. Men	No. Cos.	No. Men
Engineering				
Type not stated	38	4,166	39	5,075
Mechanical	48	951	64	1,495
Industrial	28	293	35	353
Electrical	51	862	63	1,627
Chemical	44	686	47	855
Civil	28	210	29	272
Metallurgical	11	45	11	80
Other	36	266	32	363
Total engineering		7,419		10,120
Accounting	108	1,533	114	1,511
Advertising	35	93	24	96
Chemistry	71	947	70	1,137
Economics	18	63	19	77
Finance	29	182	29	289
General business trainees	85	1,379	87	1,680
Insurance	9	249	6	421
Law	21	43	16	36
Market research	27	61	24	58
Marketing	20	194	21	217
Merchandising	10	43	8	78
Office management	9	31	10	42
Personnel	56	168	55	135
Physics	27	186	33	269
Production management	44	385	42	448
Sales	79	2,065	77	3,809
Secretarial	10	74	8	54
Statistics	26	87	20	96
Time & motion study	29	131	32	157
Other fields	49	807	43	806
Reported totals only	3	1,045	3	1,175
Total nonengineering		9,766		12,591
Grand total		17,185		22,711
Total — Engineering, chemistry and physics	—up 35%			
Total — All other fields	—up 30%			
Grand total	—up 32%			

\* This table is taken from Dr. Endicott's survey.

<sup>1</sup> According to Dr. Frank S. Endicott's survey, the announced average monthly starting salary for 1957 is \$401. The announced rate, set in the fall, usually goes up in the spring. Also, most companies grant increases after six months of employment. The \$5,000 figure probably is on the conservative side.

However, this does not mean that the average male graduate, class of 1957, will make \$5,000 his first year out. The companies that recruit at the colleges go after the cream of the crop. Boys who have made outstanding records will be picked up quickly. So will those with technical training. But in many schools there will be seniors left over who have majored in such fields as English, history, and French. Many of these young men will find it necessary to do some job prospecting on their own after graduating. And they may start well below \$400 per month.

<sup>2</sup> The 200 cooperating companies may be described as representative of the larger firms that visit the colleges regularly year after year. Sixty per cent (or 120) are manufacturing companies. Other groups include banks, investment and insurance companies, utilities, retail stores, and railroads.

<sup>3</sup> Almost all companies, of course, employ college women. But most employers wait for the women to contact them at their places of business.



200 cooperating companies plan to call on more schools in 1957 than they did in 1956; fifty-six plan to visit the same number; twenty-eight, a smaller number; and five did not answer the question. A few companies are of the opinion that an intensive cultivation of a limited number of schools is better than the usual coverage of a large number.

Some colleges report that the number of companies paying them visits exceeds the number of students in their graduating classes! The small liberal arts college is no longer by-passed as it once was.

Table 2 classifies the companies according to the number of colleges they plan to visit this year.

Anticipated starting salaries for different types of work will be \$15 to \$20 per month higher than last year. Graduates in engineering again top the field, as Table 3 indicates.

The average bottom-of-range pay for engineering will be \$405; for accounting, \$372; for sales, \$368; and for general business, \$371. The average top-of-range salary will be \$461 for engineering; \$418 for accounting; \$413 for sales; and \$409 for general business trainees.

### MONEY AS AN INCENTIVE

Two follow-up questions were directed to the companies concerning their 1956 experience. The replies brought out some of the most revealing information in the survey. The questions were: Did you raise your

**Table 2: Number of Colleges To Be Visited in 1957**

No. of Colleges	No. of Companies
Fewer than 10 .....	25
10 to 25 .....	61
26 to 50 .....	45
51 to 75 .....	17
76 to 100 .....	13
101 to 150 .....	23
151 to 200 .....	6
201 to 300 .....	4
Over 300 .....	1
Total .....	195

### Some Reported College Recruiting Practices

It is hard for THE CONFERENCE BOARD to credit some of the reports reaching its offices of current recruiting practices.

No doubt some are exaggerated, and a few may have little foundation in fact. But one thing is certain: these practices are not the practices of the vast majority of American companies. Furthermore, in the opinion of most executives, questionable recruiting practices are not apt to be productive of good results in the long run. They may even backfire and prove disastrous to the companies employing them. Finally, the damaging effects they may have on the lives of the students themselves can hardly be overemphasized.

A few of the reported practices are:

- Adding pay extras for grades above C, for courses with certain professors, for a pleasing personality, and for many other items of similar "importance."
- Putting the senior on the payroll prior to graduation.
- Inviting likely candidates to lush weekend parties.
- Offering a "vacation," expenses paid, before the candidate reports for work.
- Providing "expense allowances" up to \$1,000 to defray costs of moving from the campus to the company.
- Presenting gifts and bribes in the hope of getting preferential treatment from college placement officers.

The students learn what is going on and sometimes are encouraged to exploit the situation. *The Journal of College Placement* for October, 1956, tells of a senior who visited several companies in the same area in the course of a single trip. Collecting his full expenses from each, he returned to the campus with a "profit" of \$400 in his pocket.

**Table 3: Average Starting Monthly Salaries for Four-Year Male Graduates\***

Field	No. of Companies Reporting	\$325 or Less	\$326 to \$350	\$351 to \$375	\$376 to \$400	\$401 to \$425	\$426 to \$450	\$451 and Over	Average Starting Salary	
									1957	1956
Engineering ..	144	0	0	4	11	25	77	27	\$433	\$415
Accounting ..	116	4	9	28	40	26	8	1	389	372
Sales .....	93	5	18	20	22	14	12	2	385	370
General business trainees ...	104	6	16	27	29	19	6	1	382	363
Other fields ..	12	0	1	1	3	2	4	1	414	394
Average starting salary all fields .....									401	383

\* The table is taken from Dr. Endicott's survey.



**Table 4: Effect of Raising Starting Rates on Attainment of Quotas**

Field	Company Practice	Outcome	Per Cent
Engineering	81 raised rates	10 met needs	12
	62 did not raise rates	20 met needs	32
Accounting	49 raised rates	28 met needs	57
	65 did not raise rates	43 met needs	66
Sales	42 raised rates	24 met needs	57
	56 did not raise rates	42 met needs	75
General business	44 raised rates	31 met needs	70
	60 did not raise rates	43 met needs	71

starting rates in 1956 *after the interviewing season began?* How did your practice affect the results you obtained? In all four instances, as shown in Table 4, *the companies that held the line did better than the companies that increased their offerings!* Two of the differences are sizable ones.

Asked if he knew of any differentiating characteristics (such as company size, starting salaries, etc.) of the two groups of companies that might account for these findings, Dr. Endicott replied that he did not. However, the company executive can draw his own conclusions from the evidence presented.

Although the engineer is favored over other groups in terms of his initial salary, he tends to lose this advantage after about five years of employment. By this time, the sales recruit has forged ahead and the other groups are closing the gap. By the tenth year, the engineer's salary is the *lowest* of the four groups. These findings are included in Table 5.

Dr. Endicott asked the companies to account for the difficulties they experienced in filling their 1956 quotas.

Thirty-two factors were checked. The ten most frequently mentioned are:

Factor	Number of Companies Checking
The number of college graduates available is too small. ....	92
College professors need a better understanding of our type of business. ....	85
The quality of many applicants is below our standard. ....	80
Company not well known on college campuses. ....	74
Too many graduates have not decided what they want to do. ....	61
Graduates lack interest in our type of business. ....	60
Location of offices or plants is sometimes a handicap. ....	60
Inadequate vocation counseling in colleges. ....	55
We have not developed adequate literature for colleges to use. ....	47
Colleges have inadequate facilities for campus interviews. ....	44

Companies can take steps so that they will be better known to professors and seniors; they can stimulate interest in their fields of business; and they can develop more adequate literature for the colleges to use (factors 2, 4, 6, and 9 in the list). There is not much they can do directly about the remaining items.

But the most important factor—the first on the list—may be expected to correct itself. At the present time there is a shortage of graduates from which to choose. Today's seniors were born in the mid-Thirties. Less than 22 million babies were born during the

**Table 5: Average Present Monthly Salary of Four Groups After Three to Ten Years of Employment\***

Field and Years of Employment	Under \$400	\$400 to \$500	\$501 to \$600	\$601 to \$700	\$701 to \$800	\$801 to \$900	\$901 to \$1,000	Over \$1,000	No. of Companies Reporting	Present Salary (Nov. 1956)
<b>Engineering</b>										
3 yrs. ....	—	31	59	4	—	—	—	—	94	\$527
5 yrs. ....	—	6	53	33	2	—	—	—	94	592
7 yrs. ....	—	2	14	59	13	—	—	—	88	650
10 yrs. ....	—	—	3	18	33	14	1	—	69	740
<b>Accounting</b>										
3 yrs. ....	4	49	14	—	—	—	—	—	67	491
5 yrs. ....	—	20	29	13	—	—	—	—	62	549
7 yrs. ....	—	5	24	10	6	2	2	—	49	630
10 yrs. ....	—	—	2	10	13	6	1	4	37	778
<b>Sales</b>										
3 yrs. ....	7	29	16	—	1	1	—	—	54	498
5 yrs. ....	1	15	23	8	2	1	2	—	52	599
7 yrs. ....	—	3	12	20	8	2	2	2	49	700
10 yrs. ....	—	—	2	12	11	4	4	4	37	826
<b>General business</b>										
3 yrs. ....	2	51	21	1	—	—	—	—	75	478
5 yrs. ....	—	18	43	11	2	—	1	—	75	556
7 yrs. ....	—	5	28	12	10	4	1	—	60	640
10 yrs. ....	—	—	8	13	14	8	3	5	51	768

\* This table is taken from Dr. Endicott's survey.



depression decade. During the Forties, more than 30 million were born. The population wave has hit the secondary schools. Whereas college enrollments have been climbing at a slow rate for the past ten years (from 2 million to 2.5 million students) it is expected they will increase 50% to 60% within the next decade.

Although several important factors, such as the level of business activity in the years ahead, cannot now be evaluated, some authorities predict a considerable easing of the manpower situation by the early Sixties.

STEPHEN HABBE

*Division of Personnel Administration*

## Management Bookshelf

**Work and Its Discontents**—In its own words, this book deals with "the cult of efficiency in America." The author describes the effect of company size, the stop watch, and hierarchy on production, and presents his views on the role of the efficiency expert, the architect, the "human relations" specialist, and social scientists in the field of industrial production. He also discusses why people work and how work compares with play. The author concludes with a reference to Freud who regarded work as the chief means of binding an individual to reality. "What will happen then," says Mr. Bell, "when (with increased automation) not only the worker but work itself is displaced by the machine?" *By Daniel Bell, Beacon Press, Boston, Massachusetts, 1956, 56 pp. \$1.25.*

**Union House, Union Bar**—This is a history of the Hotel and Restaurant Employees and Bartenders International Union, AFL-CIO. It traces the story of this union from its early beginnings in the nineteenth century until the present leader, Ed S. Miller, took over after the death of Hugo Ernst. The effects of dual unionism, prohibition, the depression, racketeers, and the New Deal are all discussed at length. *By Matthew Josephson, Random House, New York, New York, 1956, 369 pp. \$5.*

**Employee Interest in Company Success**—The author points out that employees and employers have mutual as well as conflicting interests. And he urges that more attention be given to the areas of converging interests. He contends that a company misses a good bet if it fails to stimulate the interest of its employees in their jobs. And an attempt is made to measure just how much employee interest can contribute to the success of the business. Most of the material for the study was obtained through some 200 hour-long interviews with employees, supervisors, union officers and company executives. *By John W. Riegel, Bureau of Industrial Relations, University of Michigan, Ann Arbor, Michigan, 1956, 302 pp. \$6.*

**Today's Industrial Nurse and Her Job**—According to this report, the functions of the nurse in industry depend upon the size and type of the individual company, the position of the medical unit on the organization chart, the type of supervision provided for the nurse, and her ability. In addition to professional nursing, this member of the industrial health staff may be called upon to perform administrative duties, office work associated with her department, and a variety of special tasks—such as investigation

of absenteeism and the study of employee working conditions. This survey, which is based on a study of fifty-three industrial plants, was initiated by the American Nurses Association. *By Erna Barschak, Ph.D., G. P. Putnam's Sons, New York, New York, 1956, 113 pp. \$3.20.*

**History of the Brotherhood of Maintenance of Way Employees**—This book traces the birth and growth of the brotherhood from 1887 through 1955. It first discusses briefly the railroad industry. The author then describes the beginnings of the union, its development into its present form through mergers, the effect of both wars and depressions on the brotherhood's growth, and the union as it is today. The volume contains a large number of appendixes and illustrations depicting the union's development. *By D. W. Hertel, Ransdell Inc., Washington, D. C., 1955, 308 pp. \$3.50.*

**Guides to Action on Chronic Illness**—Chronic illness is said to account for approximately three-fourths of the current daily sicknesses in America. The need to transfer some of the emphasis from short-term difficulties to these long-term illnesses is being felt in communities throughout the country. The 1956 National Health Forum sponsored by the National Health Council in behalf of its fifty-one national organization members was devoted to this problem. Forum participants, including labor and industry representatives among others, provided know-how advice on what is now being done in establishing new patterns of health care in line with chronic illness. Their talks and subsequent discussions are published in the forum proceedings. *National Health Council, 1790 Broadway, New York 19, New York, 1956, 88 pp. \$1.*

**Addresses on Industrial Relations**—Reprints of a dozen talks presented at a series of conferences sponsored by the Bureau of Industrial Relations of the University of Michigan. Topics for the talks were selected by ballot so as to include subjects of the most immediate interest to a business audience. Major emphasis is on building and maintaining a better management group. Improving teamwork within the management group, executive appraisal and development, and foreman training are the topics dealt with most often. Problems of industrial relations are discussed by spokesmen from General Electric, General Motors and Ford. *Available from the Publications Distribution Service, University of Michigan, Ann Arbor, Michigan, 1956, 200 pp. \$3.50.*



# Fringe Benefits for Exempt Supervisors

This survey of 363 companies' fringe benefits for supervisors points up the similarities and differences as compared with the rank and file

**T**HE PATTERN OF PAY for first-line exempt supervisors may be constructed from any number of component forms of compensation. In his strategic or "key" location between the rank-and-file employees and management, he often participates in pay plans designed for either or both of these two employee groups.

This somewhat specialized pay status results from two primary motives. The first is the desire to maintain a favorable relationship between the supervisor's salary and the pay of the hourly employees he is responsible for. Second, there is the desire to draw the supervisor closer to the management fold, to get him to think of his benefits in terms of the company, and to inspire him to more responsible managerial initiative.

Although an adequate differential in gross earnings between the first-line supervisor and the employees under him is always desirable, it is not always easily determined, nor is it guaranteed to maintain itself.<sup>1</sup> For instance, if a company finds that the overtime premium rates guaranteed by law to nonexempt employees threaten to overtake the supervisor's higher salary, it may pay these exempt employees for overtime hours worked.<sup>2</sup> Or if the supervised employees are on an incentive program, the desire to maintain the supervisor's differential may influence the company to include him in the incentive program or to establish a similar plan for him.<sup>3</sup>

On the other hand, companies having executive incentive bonuses and deferred profit-sharing plans may declare supervisors eligible for these plans. This works not only as an incentive to increased job effort but as a reminder that, despite their close working relationship to rank-and-file employees, the company regards supervisors as members of the management team.

In the large and expanding field of fringe benefits, both of these motivating factors function. If a company has benefit programs for rank-and-file employees—such as vacations, pay for jury duty, military service leave, or insurance programs—they will most

likely be extended to the supervisor. But besides these fringes, his status as a first-line management man may be recognized through certain special features that differentiate him from those he supervises.

THE CONFERENCE BOARD recently completed a survey of the broad pattern of compensation practices for first-line exempt supervisors, including fringe benefits. The 363 companies in the survey comprised 262 manufacturing companies and 101 nonmanufacturing companies in twenty-eight different industrial classifications.<sup>1</sup> The survey covers company practices relating to supervisors in twelve so-called fringe areas. These are:

- Vacations
- Pay for military service leaves
- Pay for jury duty
- Meal allowances for overtime
- Severance pay plans
- Company paid sick leave plans
- Group hospitalization insurance
- Group medical insurance
- Group surgical insurance
- Group life insurance
- Group accident and sickness insurance
- Pensions

Each of these areas will be considered separately here.

## Vacation Allowances

All 363 companies in the survey allow their supervisors vacations with pay. The allowances range from one week after three months' service to five weeks after thirty years' service. The most common allowances are one week after six months' service, two weeks after one year, and three weeks after fifteen years.

The principal vacation allowances and service requirements are given in Table 1.

In 142, or 39%, of the surveyed companies, vacation practices are the same for the supervisor and the supervised in factory operations, while 61% have the same practices for the two groups in their office operations. In cases where the plans differ, supervisors

<sup>1</sup>Geographic distribution of the surveyed companies, office and factory representation, etc. are described in the article "Pay Differentials for Exempt Supervisors" in the October, 1956, issue of *Management Record*.

<sup>1</sup>"Pay Differentials for Exempt Supervisors," *Management Record*, October, 1956, p. 350.

<sup>2</sup>"Premium Pay for Exempt Supervisors," *Management Record*, December, 1955, p. 470.

<sup>3</sup>"Bonus and Incentive Plans for Supervisors," *Management Record*, January, 1956, p. 2.



sometimes get an extra week of vacation, or the service requirements are less for the same allowances. But often the difference is not in the vacation allowance itself. Instead the supervisor may not be penalized for absences during the year; or he may have greater latitude in scheduling his vacation; or he may accumulate the vacation allowance from year to year.

### Pay for Military Service Leaves

Ninety-four (36%) of the manufacturing companies and fifty-two (51%) of the nonmanufacturing grant pay during time off for military training. In several instances, military leaves are covered by the company's general program for paid leaves of absence.

Among the companies having formal military leave plans, the predominant practice is to pay the supervisor the difference between his regular salary and his military pay. Most often, this is allowed for a period of up to two weeks' leave. In some instances, however, the period is one month, and in others it extends for the duration of the temporary service required. A few companies allow the supervisor his full pay for the whole period.

A number of companies in the survey have plans allowing additional compensation to employees entering regular military service, and these plans invariably cover supervisors. The military leave plans of several companies represented in the survey are described briefly below.

*Chemical company*—"We pay the difference between salary and government pay for three months."

*Chemical company*—"We allow twelve calendar weeks' salary in twelve monthly installments to employees with one year's company service."

*Office equipment company*—"We pay 25% of regular pay up to a maximum of \$1,000 a year for specific periods of military service. For draftees, for example, there is a two-year maximum."

*Petroleum company*—"We pay an allowance to dependents based on the amount that normal pay exceeds military pay, but not to exceed 50% of such normal pay."

*Petroleum company*—"Our formal plan allows two weeks' pay when an employee leaves for service if he has been with the company one year. For longer company service, the monthly payments are as follows:

1 to 3 years with the company— 5% of regular company pay

3 to 5 years with the company— 7½% of regular company pay  
5 years and over —10% of regular company pay

*Chemical company*—"We make up the difference in pay for reserve training periods, and pay two and one-sixth weeks' salary on entering the service as well as two and one-sixth weeks' salary on returning to the company from the service."

### Jury Duty

As can be seen in Table 2, 83% (302) of the companies in the survey indicate that they pay supervisors while on jury duty. This contrasts with twenty-four, or 7%, of the companies that definitely state they have no such plan; and several of these say that this is the case simply because the situation has not arisen. Others include jury duty in their paid leaves of absence programs. The remaining 10% of the companies gave "no information."

Of the 302 companies, 199 (66%) allow full pay, although some state that this applies only to periods of "reasonable" duration; seventy-four (24%) pay the difference between the supervisor's salary and his jury fees. The remaining 10% do not define their plans.

The seventy-four companies that pay the "difference" include eighteen that allow the supervisor his full salary but require him to turn in his jury fees to the company. Three of these companies permit him to deduct mileage or travel expenses from the jury fees. Several others pay their supervisors while on jury duty with the understanding that they are expected to report for work when the jury is not actually in session.

### Meal Allowances for Overtime

One hundred and fifty (41%) of the companies grant meal allowances to their first-line supervisors—57% to both factory and office supervisors, 39% to office supervisors only, and 3% to factory supervisors only. Of these companies, 106 (71%) extend the practice to rank-and-file employees.

In some instances, meal allowances are partial compensation to the supervisor for not being paid for overtime, and several companies state that the allowances go only to supervisors who are not eligible for overtime payments. However, almost half of the eighty manufacturing companies that provide meal allowances also pay their supervisors for overtime.

Table 1: Principal Vacation Allowances and Service Requirements for Supervisors

Allowance	No. of Companies	Service Requirements												
		No Set Minimum	3 Mos.	6-9 Mos.	10 Mos.	1 Year	2-3 Years	5 Yrs.	10 Yrs.	12-14 Years	15 Yrs.	17-20 Years	25 Yrs.	30 Yrs. & Over
1 week	135	9	4	83	1	38	—	—	—	—	—	—	—	—
2 weeks	310	10	—	6	15	258	26	15	—	—	—	—	—	—
3 weeks	286	4	—	—	—	6	2	29	44	7	184	9	1	—
4 weeks	75	2	—	—	—	1	—	—	—	—	2	12	54	4
Total companies = 363														



Table 2: Various Fringe Benefits for Supervisors in 363 Companies

Industrial Classification	No. of Companies	Group Insurance Plans											
		Vaca- tion	Military Service Allowance	Jury Duty Pay	Meal Allowance for Overtime	Sever- ance Pay	Company- Paid Sick Leave	Hospital- ization	Med- ical	Sur- gical	Life Insurance	Accident and Sickness	Pension
Manufacturing industries													
Aircraft and parts.....	8	8	0	7	2	3	7	8	7	8	7	7	7
Automobiles, trucks and parts.....	10	10	3	6	2	5	9	10	7	10	10	6	10
Electrical machinery and equipment.....	30	30	6	17	6	13	26	29	20	28	29	16	27
Fabricated metal products.....	15	15	6	10	1	9	12	15	11	15	15	11	14
Food and kindred products.....	22	22	11	20	10	11	22	22	17	22	22	11	21
Furniture and fixtures.....	5	5	1	4	1	1	4	5	4	5	5	4	2
Industrial chemicals, fertilizers, paints etc....	23	23	11	19	11	13	22	23	16	23	23	11	23
Instruments and related products.....	5	5	0	4	0	4	4	5	4	5	5	3	5
Leather and leather products.....	8	8	3	5	1	4	5	8	6	8	8	5	5
Nonelectrical machinery and equipment.....	41	41	14	29	8	16	40	41	33	40	41	26	39
Paper and allied products.....	12	12	5	10	5	3	11	12	8	12	12	9	11
Petroleum products.....	10	10	9	10	6	5	10	10	9	10	10	5	10
Pharmaceuticals and soaps.....	13	13	8	12	5	10	12	13	11	13	13	9	12
Primary metals—ferrous and nonferrous.....	15	15	1	14	8	7	13	15	8	15	15	10	14
Printing and publishing.....	2	2	1	2	0	1	2	2	0	2	2	1	1
Railroad equipment.....	5	5	3	4	1	2	4	5	4	5	5	3	5
Rubber products.....	7	7	2	5	3	1	7	7	7	7	7	5	7
Stone, clay and glass products.....	15	15	3	14	6	4	15	15	11	15	15	7	13
Textile mill products.....	9	9	4	9	2	4	9	8	4	8	9	7	8
Tobacco products.....	3	3	2	3	1	1	3	3	1	3	3	2	3
Miscellaneous.....	4	4	1	4	1	0	4	4	4	4	4	3	4
Total manufacturing.....	262	262	94	208	80	117	241	260	192	258	261	161	241
	100%	100%	36%	79%	33%	45%	92%	99%	74%	99%	99%	61%	92%
Nonmanufacturing industries													
Airlines.....	8	8	0	4	2	0	8	8	4	8	8	6	7
Banking.....	16	16	14	15	14	8	14	16	10	16	16	7	16
Insurance.....	23	23	18	22	18	12	22	22	17	22	22	19	23
Pipelines.....	2	2	2	2	1	1	2	2	0	2	2	1	2
Railroad.....	8	8	1	8	2	0	8	6	6	6	6	4	8
Retail trade—department & variety stores.....	14	14	7	14	8	9	14	13	10	12	13	8	10
Utilities—light, heat & power.....	30	30	10	29	25	9	27	30	20	29	29	12	30
Total nonmanufacturing.....	101	101	52	94	70	39	95	97	67	95	96	57	96
	100%	100%	51%	93%	69%	39%	94%	96%	66%	94%	95%	56%	95%
Total companies.....	363	363	146	302	150	156	336	357	259	353	357	218	337
	100%	100%	40%	83%	41%	43%	93%	98%	73%	97%	98%	60%	93%



In cases where the meal allowance plan for the supervisor differs from that of the supervised employees, the most frequent pattern is to reimburse the supervisor for whatever he pays for his meal, while the supervised employee gets a fixed allowance or has a meal provided by the company. One company provides meals for both the supervisor and those under him but the supervisor has a separate cafeteria and a menu to choose from.

### Severance Pay Plans

One hundred and fifty-six of the companies surveyed pay extra compensation to a first-line exempt supervisor if his job is terminated at the company's initiative for reasons "beyond the employee's control." Most of these plans are formal and apply to all such terminations, but thirty-eight (24%) of the companies have informal or discretionary plans under which each case is handled individually, with special consideration given to such factors as the reason for discharge, the supervisor's past performance and his length of service with the company.

The amounts of severance pay allowed under the formal plans range from one week's pay to a full year's salary. The most common practice is to pay one week's salary for each full year of continuous service. The majority of the plans are prorated on the basis of length of service or a combination of length of service and age. In several cases, the amounts are fixed only up to a certain period of service, allowing for "individual consideration" of employees with twenty or twenty-five years of service.

Brief descriptions of representative severance pay plans in the surveyed companies are given below.

*Electrical company*—"In the event of abrupt termination by the company," severance pay is allowed on the following schedule:

1 to 3 years' service .....	1 week's pay
3 to 10 years' service .....	2 weeks' pay
10 to 15 years' service .....	5 weeks' pay
15 years and over .....	10 weeks' pay

*Petroleum company*—"An unpublished, confidential guide is used, which varies from three weeks' pay after five years of service to a maximum of fifty-one weeks' pay after twenty-four years' service, and retirement under an annuity plan after twenty-five years."

#### *Rubber company*—

Up to 5 yrs.' cont. service. 2 wks.' pay plus accum. vacation
5 to 10 yrs.' cont. service. 3 wks.' pay plus accum. vacation
10 to 15 yrs.' cont. service. 4 wks.' pay plus accum. vacation
15 to 20 yrs.' cont. service. 8 wks.' pay plus accum. vacation
20 to 25 yrs.' cont. service. 12 wks.' pay plus accum. vacation
25 yrs. and over ..... Individual handling

*Petroleum company*—"Based on age (twenty years to sixty-five years) and length of service (one year to twenty years). Minimum of two weeks' pay to maximum of fifty-two weeks' pay."

*Electrical company*—"For one to three years' service,

**Table 3: Company Paid Sick Leave Plans**

	No. of Companies	% of Companies
<i>For supervisors</i>		
Total companies .....	363	100%
Total companies having plan .....	336	93
Formal plan .....	152	42
Informal plan .....	184	51
<i>For supervised</i>		
Total companies .....	363	100
Total companies having plan .....	247	68
In factory only .....	4	1
In office only .....	121	33
In both factory and office .....	122	33

50% of monthly salary. And 25% of monthly salary for each year over three to a maximum of 600% for twenty years' service and over."

### Sick Leave Plans

Paid sick leave plans are a more frequent form of fringe benefit for supervisors than for supervised employees. According to the survey, 93% of the companies have a sick leave plan for supervisory personnel as compared to 68% that have such a plan for their supervised people. Both "formal" (group coverage) and "informal" (determined on the basis of individual consideration) are represented.

In most instances where both exempt and non-exempt employees are covered by company paid sick leave plans—and particularly in cases involving factory operations—the supervisor's plan is more liberal in its provisions than the plan for the people supervised. Usually the supervisor who is out ill is assured of receiving his full salary for a certain length of time at least. And the period sometimes extends for as long as a year.

Also, the supervised employee frequently must put in a certain set waiting period before he receives any compensation during illness, but the supervisor's benefits usually begin immediately. And any time limit set for paying sick leave benefits is usually more rigidly adhered to in the case of nonexempt employees than it is in the case of supervisors. Even in the more formal paid sick leave plans covering supervisory personnel, the company concedes the privilege of "individual consideration" when the time limit has been fulfilled, and it may grant an extension of benefits on a "discretionary" basis.

The paid sick leave plans for first-line exempt supervisors of several companies represented in the survey are described briefly below.

*Chemical company*—"The supervisor's salary may continue without interruption for the duration of his illness. If absent for more than sixteen consecutive days, a 'leave of absence' with full pay for a period up to three months from start of illness may be provided. Under special conditions, this leave may be extended. . . ."

(Continued on page 23)



## Plan for White Collar Unionization

**W**ALTER REUTHER, head of the AFL-CIO's Industrial Union Department, set the tone of a meeting, sponsored by that group, on the "Problems of the White Collar Worker." As reported in *Labor's Daily*, he stated: "I believe the white collar worker can be organized, and I believe the hour is late and the job better get done." To help get that job done, the IUD had invited Mr. Reuther and other specialists to speak before 200 union delegates about various problems involved in white collar unionization.

Mr. Reuther, in his talk, argued that white collar workers need unionization in order to gain the benefits achieved during recent years by organized production workers. But, he added, white collar workers have other special problems:

1. Low salaries.
2. Frequent improper job classifications.
3. "Red apple clubs"—or favoritism in promotions.
4. Pay differentials based on sex.
5. Poor seniority provisions.
6. Lack of grievance procedures.

Mr. Reuther warned the IUD delegates that many white collar workers still believe unions are only for workers who get their hands dirty. But he argued that this should no longer be true since production workers have overtaken white collar workers in economic benefits and job security.

### Who Are the White Collar Workers?

Stanley Ruttenberg, research director of the AFL-CIO, also spoke at the meeting. He estimated that in today's labor market there are between 17.5 and 18 million nonsupervisory white collar workers, which represents more than 35% of all wage earners.

Of these nearly 18 million white collar workers, the AFL-CIO research director noted that 47% are clerical, 28% are professional or technical workers, and 25% are sales workers. Since the number of white collar employees is increasing more rapidly than the number of blue collar, this also means, according to Mr. Ruttenberg, more women in industry and business.

Lois McKinstry of the Retail Clerks International Association stressed the dwindling income of the white collar worker as compared with the unionized production worker. She stated that in 1929 salaried employees received \$7.62 more a week than did wage earners. But by 1954, the tables were turned: wage earners, she said, made \$1 more a week than salaried em-

ployees. And, according to Miss McKinstry, this pattern holds true for all of the following three white collar categories:

1. *Clerical:* Before 1944, the weekly earnings of all clerical workers were "consistently above" all manual workers; in 1956, they were trailing by about \$20 a week.

2. *Professional and technical workers:* The annual incomes of manual workers rose much faster percentage-wise from 1939 to 1954 than did the incomes of professional and technical workers.<sup>1</sup>

3. *Sales workers:* This group, the RCIA representative said, makes up "the most depressed segments"—the average salary for retail trade workers is \$61 a week or about \$20 less than the average for factory workers.

Moreover, Miss McKinstry commented that the differences in fringe benefits favorable to white collar workers, which had existed in the past, have also nearly disappeared.

### The White Collar Worker and Automation

Allen V. Antin, director of the National Bureau of Standards, in speaking of the effects of automation, suggested that while automation will come to the office, it will not necessarily mean fewer workers. Citing the telephone industry as an example, Mr. Antin pointed out that automation might, in fact, cause the employment of more people. But speaking from the union viewpoint, Miss McKinstry replied that, although more jobs may ultimately result, this is little consolation for workers who lose their jobs.

The organizing problems ahead were the main concern of the AFL-CIO's director of organization, John W. Livingston. Mr. Livingston stated that while 50% of the production workers are organized, only 17% of the white collar workers fall in this category, reports *The AFL-CIO News*. Also, this figure includes the organized white collar workers in industry and service trades, like restaurants, as well as the following:

1. Government and public employees—7%
2. Retail-wholesale workers—5%
3. General office workers—5%

Moreover, the AFL-CIO director of organization

<sup>1</sup> See *Studies in Personnel Policy*, No. 155, "Unionization Among American Engineers."



noted that all unorganized workers are a threat to those who are unionized. And of the 26 million workers still unorganized, 50% are white collar workers.

### Reasons for Organization

The AFL-CIO director of organization said that the white collar worker is the victim of a myth: he still thinks that individual action is the key to personal achievement. Mr. Livingston, however, argued that ours is "a complex work society, geared to collective, coordinated action." Organizing white collar workers means, continued Mr. Livingston, that they have to be convinced that "it is through group action and group identifications [that their] personal interests can best be realized."

### Problems in Organization

According to Mr. Livingston, the following are the chief problems that unions have in organizing white collar workers:

1. Their attitude toward individual vs. group action. But this, he added, does not make them fundamentally different from production workers; rather, the differences are purely environmental.
2. Jurisdictional disputes within the AFL-CIO. There are approximately thirty AFL-CIO unions that have an interest in white collar workers. "There is no single field of employment within the white collar group that does not have at least one jurisdictional overlapping under the existent structure of AFL-CIO unions."

On the other hand, Mr. Livingston listed many conditions favorable to white collar unionization:

1. The financial and organizational resources of the AFL-CIO will back up an organization drive.
2. The merger of the AFL-CIO will mean an integrated organization drive.
3. Increased contact of white collar workers with unions have made them more amenable to unionization.
4. There are many installations employing large numbers of white collar workers; and large installations present fewer union organizing problems than do small installations.
5. There is an increasing feeling among all unions that white collar workers must be organized.
6. Changing conditions like increased automation are making the office more like a factory. Consequently this should help break down the unfavorable attitude of many white collar workers toward collective action.

### Industrial vs. Strictly White Collar

Mr. Livingston, without taking a position favorable to one side or the other, summarized the arguments for placing white collar workers in production unions,

as stated by that group, and the arguments for the strictly white collar union, as seen by that group.

The advantages of placing them in industrial unions, Mr. Livingston said, are:

1. As a minority within a production industry, they can gain strength through the support of the large production union.
2. The production union is familiar with the industry and therefore can lend greater assistance to the white collar workers.
3. The familiarity of the white collar workers with the production union's achievements makes organizing easier.

Advantages of placing them in strictly white collar unions, according to the AFL-CIO director of organization, are:

1. Fraternal relationships with other unions would provide white collar workers with the same advantages they would have received if they had joined production unions.
2. The special interests of white collar workers are better understood by a union specializing in their problems.
3. White collar workers would accept such a union more easily.

Mr. Livingston concluded that the tactics to be followed in organizing white collar workers will vary. The AFL-CIO may have large-scale special projects for white collar unionization, or it may tie the white collar drive to an industrial drive. If community attitudes oppose this movement, Mr. Livingston commented, "public relations is not the exclusive possession of Madison Avenue." In any case, the director of organization concluded that the AFL-CIO will strive for the organization of all white collar workers.

### Organizing Drives by White Collar Unions

Although much of the work in unionizing the white collar worker is still in the planning stage, some specific drives have started. Public employment, for one, is to see a great organizing push by the American Federation of State, County and Municipal Employees, according to *Labor's Daily*. This same organization, reports the *Public Employee*, is attempting to organize a new field—social and community agencies—which had formerly been under the Government and Civic Employees Committee's jurisdiction. A special meeting was called by the union's director of organization to work out plans to unionize this group of employees.

Government workers' unionization received aid from another source too. *Labor's Daily* reports that Representative George M. Rhodes, Democrat from Pennsylvania, says that he will reintroduce his bill to grant recognition to federal workers' unions.



### White Collar Workers in Canada

Russ Harvey, Ontario organization director for the Canadian Labour Congress, announces in the *United Rubber Worker* a breakthrough in the nearly completely unorganized white collar field of banking in Canada. Until one hundred Toronto bank employees joined the Office Employees International Union, there had been very few members among the 60,000 bank employees in Canada. Mr. Harvey told the new union members that "you are working under conditions created in the time of Charles Dickens, and we need a Dickens to describe the rotten conditions that prevail behind the 'marble curtain.' You have nothing to lose. You couldn't get a worse job in Canada if you looked for it."

Mr. Harvey informed an office workers' union conference that the merger of the Canadian Congress of Labour and the Trades and Labour Congress had given impetus to a drive for white collar unionization; and the CLC's organizing staff's help would be forthcoming in a nationwide drive to sign up all Canadian bank employees in the Office Employees Union.

#### Deadline for State AFL-CIO Mergers

All former AFL and CIO state bodies will have merged by the deadline of December 5, 1957, predicts President George Meany in a speech before the International Labor Press Association, as reported in *The AFL-CIO News*. This deadline was set when the AFL and CIO merged on a national level on December 5, 1955. Mr. Meany believes that two years is enough time for the state groups to resolve their difficulties and to unite. But if any state organizations have not

merged by December 5, 1957, the president of the AFL-CIO warns that "the AFL-CIO will pick up existing AFL and CIO charters, draft a constitution for a merged state organization, call a convention of all AFL and CIO affiliates in the state, and issue a new charter to the merged group."

With one year still remaining before the deadline, *The AFL-CIO News* reports that nineteen, or a little less than 40%, of the state labor organizations have already merged. They are as follows:

<u>State</u>	<u>Name of Merged Organization</u>	<u>President</u>
Arkansas	Arkansas Federated Labor Council	Oden Smith
Missouri	Missouri State Labor Council	John L. Rollings
Louisiana	Louisiana State Labor Council	Victor Bussie
Tennessee	Tennessee State Labor Council	Stanton E. Smith
Arizona	Arizona State AFL-CIO	E. F. Vickers
Montana	Montana State AFL-CIO	James S. Umber
Vermont	Vermont Federation of Labor Unions	Fred Dikeman
Colorado	Colorado Labor Council	George Cavender
Virginia	Virginia State AFL-CIO	Harold B. Boyd
Wyoming	Wyoming State AFL-CIO	Paul Shafto
Oregon	Oregon State Labor Council	J. D. McDonald
Iowa	Iowa Federation of Labor	Ray Mills
South Dakota	South Dakota Federation of Labor	Albert J. Maag
Utah	Utah State AFL-CIO	C. E. Berger
Minnesota	Minnesota AFL-CIO Federation of Labor	Robert A. Olson
Nebraska	Nebraska State AFL-CIO	Gordon Preble
New Mexico	New Mexico State AFL-CIO	James A. Price
Alabama	Alabama Labor Council AFL-CIO	Carl E. Griffin
Maine	Maine State Federated Labor Council	Ben Dorsky

ALBERT A. BLUM

*Division of Personnel Administration*

### College Aid Plan Has Many Advantages

Companies and individual executives interested in making contributions to aid private colleges may find a plan recently worked out by an industrialist in Bridgeport, Connecticut, very much to their liking. After consulting with the president of his alma mater, the Bridgeport manufacturer offered the college a memorial to his father who had been a prominent clergyman in the community. The gift was a sum of money sufficient to construct an attractive house on the campus.

The house is now rented to a faculty member and his family. The income, after maintenance expenses, provides a full, tuition-free scholarship for a needy youth each year.

This type of gift has many advantages:

- The home is a tangible memorial.
- The value of the college property is increased.
- A student is helped to obtain a college education.
- The college is aided in staff recruitment, and a faculty member obtains a desirable home at a modest rental.
- The gift is not tied up in red tape, and it is easy to administer. (Some gifts impose such heavy costs that the college really cannot afford to accept them.) In this instance, maintenance costs are more than made up through the rental.

# Purchasing Power of Dollar Declines

Consumer prices for November, 1956, are compared with year-earlier levels and the previous month. Special attention is focused on the housing index

**R**ETAIL PRICES were up 0.5% in November, 1956, from the October level, according to THE CONFERENCE BOARD'S consumer price index. The all-items index for the United States at 103.2 (1953 = 100) again set a new high and was 2.5% above the November, 1955, level.

The purchasing value of the November dollar dropped to 96.9 cents (1953 dollar = 100 cents). This meant that the consumer's dollar would purchase one-half cent less than it did in the previous month and 2.4 cents less than it purchased a year ago.

Increases were reported in November for four of the five major commodity groups in the index. Food prices, which dropped 0.3%, could not hold back the upward surge of the other groups. Transportation led the way, with a 3.5% rise; housing, apparel and sundries followed, with each group up 0.2%.

## PRICES OVER THE MONTH

Food prices, which have shown mixed movements during the year, were down again this month. Lower prices for meats, fruits and potatoes contributed to the decline of this index. Meat, fish and poultry, as a group, were 1.7% cheaper, as a heavy supply of beef, pork and poultry made meats a good buy for consumers.

The seasonal drop in beef and pork prices was in contrast to the strong upward trend they have demonstrated during the past half year. A fall of 1.3% in beef was in sharp contrast to the 4.5% rise of the previous month. Pork, which decreased 3.2% over the month, was still 3.1% above November, 1955, and about 14% higher than the March, 1956, level. Poultry production, which was higher in 1956 than in 1955, has sent prices down since March, 1956. The price declined 3.3% in November and stands 9.2% below the year-ago level. Fish, with a rise of 0.7%, was the only item to move up.

A decline of 0.6% in vegetable and fruit prices over the month provided the additional push necessary to send the food index down. A plentiful supply of fresh fruits and potatoes during November was a primary factor in the decline. Potatoes continued a downward trend started in August, 1956, by dropping 12.4% this month. However, the steep advances in other vegetables, especially lettuce and tomatoes, were enough

to move fresh vegetables 0.4% above October prices. Fresh fruits, moving in line with their seasonal pattern, were down 1.5%. Frozen fruits dropped 1.7%, and frozen vegetables were down 2.6%.

While meats and fruits and vegetables were down, prices for the remaining food groups were rising. Cereal and bakery products, which had resisted any decline since a year ago, were up 0.2%. Flour was slightly cheaper, although bread was up 0.5%. Price increases for fresh milk and butter moved the dairy products and eggs group 0.7% higher. Although milk production is at record levels, increased processing and distribution costs have been responsible for milk prices continuing upward. Fresh milk was up 1.8% in November and was 5.7% higher than its year-ago level. The "other food" group advanced 0.4%, as coffee, tea and shortening cost more. Coffee prices, which have been trending upward for the greater part of the year, advanced 1.1%; they now stand 12.9% above November, 1955.

Housing costs were 0.2% higher in November than in October, primarily because of a 0.6% advance in the fuel, power and water index. Solid fuels moved up in many cities, while gas rates increased 0.3%. Furnishings and equipment were up 0.2%—with prices for furniture and rugs higher, while those for electrical equipment held firm. Rents and other household operations were up a slight 0.1%.

The apparel index inched up 0.2%, although women's clothing remained at the October level. Men's apparel prices, strong throughout the year, were 0.3% higher, with advances reported for shoes and cotton goods. Apparel services cost 0.4% more in November than in October and were 5.7% higher than November, 1955.

Transportation costs registered the largest increase of the month, with a rise of 3.5%. The higher-priced 1957-model cars sent the automobile index up 4.1%. Public transportation costs moved up fractionally.

The sundries index rose 0.2%, reflecting increases of 0.3% for medical care and 0.2% for personal care and recreation.

## CHANGES OVER THE YEAR

Compared with November, 1955, consumer prices were up 2.5%. November, 1956, marked the greatest



# Consumer Price Index—United States

Cities over 50,000 population  
1953 = 100

	ALL ITEMS	FOOD						HOUSING				
		Total	Meat, Fish, Poultry	Cereal, Bakery Products	Dairy Products, Eggs	Fruits, Vegetables	Other Food at Home	Total	Rent	Fuel, Power, Water		
										Total	Gas	Electricity
1955 April.....	100.1	98.3	94.3	104.3	93.0	100.7	106.5	101.5	105.8	103.5	106.5	101.1
May.....	100.2	98.4	94.0	104.4	91.7	104.1	105.7	101.4	105.8	102.9	106.5	101.1
June.....	100.2	98.3	94.6	104.4	91.5	103.5	104.6	101.4	105.8	102.7	106.7	101.2
July.....	100.3	98.6	94.9	104.6	92.4	103.6	104.6	101.2	106.2	101.4	103.9	101.6
August.....	100.3	98.2	94.5	104.7	94.5	99.1	104.7	101.5	106.2	101.8	104.2	101.7
September.....	100.5	98.5	94.9	104.8	96.4	97.4	105.1	101.6	106.3	102.1	104.5	101.7
October.....	100.7	98.6	94.0	104.8	97.4	97.7	105.5	101.9	106.5	102.6	104.5	101.8
November.....	100.7	98.0	91.7	104.4	97.7	98.0	105.6	102.0	106.6	102.9	105.0	101.8
December.....	101.0	97.9	89.9	104.4	98.3	99.7	105.9	102.1	106.8	103.2	105.3	101.8
1955 Annual Average...	100.3	98.3	93.8	104.4	94.5	99.8	106.2	101.5	106.1	102.7	105.2	101.4
1956 January.....	101.1	97.5	88.4	104.9	98.5	99.7	105.7	102.2	106.8	103.7	106.0	101.9
February.....	101.1	97.3	88.0	104.9	96.9	101.5	105.3	102.4	107.1	104.3	106.0	101.9
March.....	101.1	97.0	87.4	104.9	96.0	101.7	105.8	102.6	107.2	104.4	106.0	102.0
April.....	101.0	97.0	87.2	104.9	94.7	102.4	106.4	102.6	107.5	104.5	106.1	102.0
May.....	101.2	97.7	88.5	105.0	94.4	105.6	106.7	102.6	107.6	104.0	106.2	102.0
June.....	101.7	99.2	89.9	105.3	94.3	112.1	107.4	102.7	107.7	104.0	106.0	102.0
July.....	102.1	100.1	90.9	105.5	95.1	114.2	108.0	102.8	107.9	103.9	106.0	102.0
August.....	102.3	100.4	92.5	105.7	96.5	110.8	108.5	103.0	108.0	104.0	106.1	102.0
September.....	102.4	100.3	93.6	105.8	97.4	105.8	109.1	103.3	108.1	104.3	106.5	102.0
October.....	102.7	100.8	95.1	106.4	99.0	102.7	109.7	103.4	108.4	104.7	106.5	102.4
November.....	103.2	100.5	93.5	106.6	99.7	102.1	110.1	103.6	108.5	105.3	106.8	102.4

		HOUSING (continued)		APPAREL			TRANS- POR- TATION	SUNDRIES	PUR- CHASING VALUE OF DOLLAR	REBASED INDEXES		
		Furnish- ings, Equipment	Other Household Operations	Total	Men's Apparel	Women's Apparel				All Items (January 1939 = 100)	Purchasing Value of January, 1939 Dollar	All Items (1947-49 = 100)
1955	April.....	98.3	100.7	98.9	99.2	98.4	100.2	101.5	99.9	181.8	55.0	113.9
	May.....	98.2	100.8	98.8	99.2	98.3	100.4	101.6	99.8	181.9	55.0	114.0
	June.....	98.2	100.6	98.8	99.2	98.2	101.3	101.8	99.8	182.1	54.9	114.1
	July.....	98.0	100.7	98.9	99.2	98.2	100.5	102.1	99.7	182.1	54.9	114.1
	August.....	98.3	101.0	99.2	99.6	98.5	100.6	102.3	99.7	182.2	54.9	114.2
	September.....	98.4	101.2	99.3	99.7	98.6	100.9	102.6	99.5	182.5	54.8	114.4
	October.....	98.7	101.4	99.4	99.6	98.7	101.3	102.7	99.3	182.9	54.7	114.6
	November.....	98.9	101.5	99.3	99.7	98.4	102.9	102.7	99.3	182.9	54.7	114.7
	December.....	99.2	101.7	99.3	99.7	98.3	104.7	102.9	99.0	183.4	54.5	114.9
1955	Annual Average...	98.4	100.9	99.0	99.4	98.4	101.1	102.0	99.7	182.2	54.9	114.2
1956	January.....	99.3	102.0	99.3	99.8	98.0	105.8	103.1	98.9	183.6	54.5	115.0
	February.....	99.5	102.1	99.3	99.9	98.1	105.3	103.4	98.9	183.6	54.5	115.0
	March.....	99.4	102.3	99.4	99.9	98.2	105.1	103.7	98.9	183.6	54.5	115.0
	April.....	99.3	102.2	99.6	100.1	98.3	104.4	103.7	99.0	183.5	54.5	115.0
	May.....	99.1	102.4	99.7	100.3	98.2	104.1	103.8	98.8	183.9	54.4	115.2
	June.....	99.1	102.4	99.9	100.5	98.3	103.9	103.9	98.3	184.7	54.1	115.8
	July.....	99.0	102.8	100.0	100.7	98.2	104.0	104.2	97.9	185.4	53.9	116.2
	August.....	98.9	103.0	100.2	101.1	98.3	103.9	104.5	97.8	185.8	53.8	116.4
	September.....	99.3	103.6	100.3	101.6	98.2	104.1	104.7	97.6	186.0	53.8	116.6
	October.....	99.3	103.6	100.5	101.7	98.3	104.1	105.0	97.4	186.5	53.6	116.9
	November.....	99.5	103.7	100.7	102.0	98.3	107.7	105.2	96.9	187.3	53.4	117.4

# Consumer Price Index—United States

Annual averages 1914-1955\*

1953 = 100

Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar
1914.....	40.3	248.1	1925.....	67.8	147.5	1935.....	53.6	186.6	1945.....	70.2	142.5
1915.....	40.0	250.0	1926.....	68.3	146.4	1936.....	54.8	182.5	1946.....	74.9	133.5
1916.....	43.0	232.6	1927.....	66.9	149.5	1937.....	57.2	174.8	1947.....	84.7	118.1
1917.....	51.3	194.9	1928.....	65.9	151.7	1938.....	55.7	179.5	1948.....	90.1	111.0
1918.....	59.5	168.1	1929.....	65.6	152.4	1939.....	55.0	181.8	1949.....	83.8	112.6
1919.....	67.6	147.9	1930.....	63.4	157.7	1940.....	55.4	180.5	1950.....	90.0	111.1
1920.....	77.8	128.5	1931.....	57.0	175.4	1941.....	58.3	171.5	1951.....	97.0	103.1
1921.....	66.8	149.7	1932.....	50.9	196.5	1942.....	64.5	155.0	1952.....	99.5	100.5
1922.....	63.6	157.2	1933.....	49.0	204.1	1943.....	68.2	146.6	1953.....	100.0	100.0
1923.....	65.4	152.9	1934.....	51.8	193.1	1944.....	69.1	144.7	1954.....	100.2	99.8
1924.....	66.1	151.3							1955.....	100.3	99.7

\* Indexes from 1914 through 1919 are for the month of July only and are not annual averages

# Consumer Price Indexes for Individual Cities

These indexes show changes in consumer prices only. They do NOT show intercity differences in price level or standards of living.

## Cities Surveyed Monthly

	1953 = 100			Percentage Changes			1953 = 100			Percentage Changes	
	Nov. 1956	Oct. 1956	Nov. 1955	Oct. 1956 to Nov. 1956	Nov. 1955 to Nov. 1956		Nov. 1956	Oct. 1956	Nov. 1955	Oct. 1956 to Nov. 1956	Nov. 1955 to Nov. 1956
<b>Chicago</b>						<b>Los Angeles</b>					
All Items.....	105.5	105.1	103.3	+0.4	+2.1	All Items.....	102.5	101.7	99.2	+0.8	+3.3
Food.....	101.4	101.7	99.4	-0.3	+2.0	Food.....	99.5	99.1	94.4	+0.4	+5.4
Housing.....	109.1	109.1	107.8	0	+1.2	Housing.....	101.7	101.6	101.1	+0.1	+0.6
Apparel.....	101.6	102.0	100.8	-0.4	+0.8	Apparel.....	99.3	100.1	99.3	-0.3	+0.5
Transportation.....	106.8	103.2	102.9	+3.5	+3.8	Transportation.....	108.5	104.3	100.7	+4.0	+7.7
Sundries.....	107.4	107.4	104.4	0	+2.9	Sundries.....	104.5	104.5	102.1	0	+2.4
<b>Houston</b>						<b>New York</b>					
All Items.....	102.9	101.9	101.5	+1.0	+1.4	All Items.....	103.3	103.4	100.3	-0.1	+3.0
Food.....	101.1	100.5	99.3	+0.6	+1.8	Food.....	101.0	102.3	96.9	-1.3	+4.2
Housing.....	103.5	102.9	101.7	+0.6	+1.8	Housing.....	104.2	104.1	102.1	+0.1	+2.1
Apparel.....	101.5	101.4	99.2	+0.1	+2.3	Apparel.....	99.3	99.0	98.0	+0.3	+1.3
Transportation.....	105.5	101.7	106.8	+3.7	-1.2	Transportation.....	116.2	113.2	108.6	+2.7	+7.0
Sundries.....	103.3	102.9	101.9	+0.4	+1.4	Sundries.....	103.5	103.3	101.6	+0.2	+1.9

## Cities Surveyed Quarterly

	1953 = 100			Percentage Changes			1953 = 100			Percentage Changes	
	Nov. 1956	Aug. 1956	Nov. 1955	Aug. 1956 to Nov. 1956	Nov. 1955 to Nov. 1956		Nov. 1956	Aug. 1956	Nov. 1955	Aug. 1956 to Nov. 1956	Nov. 1955 to Nov. 1956
<b>Akron</b>						<b>Duluth-Superior</b>					
All Items.....	104.5	103.8	101.2	+0.7	+3.3	All Items.....	103.5	103.4	101.4	+0.1	+2.1
Food.....	101.2	101.7	97.6	-0.5	+3.7	Food.....	99.9	102.9	98.5	-2.9	+1.4
Housing.....	105.7	104.8	102.7	+0.9	+2.9	Housing.....	104.6	104.0	102.4	+0.6	+2.1
Apparel.....	100.4	100.2	98.3	+0.2	+2.1	Apparel.....	100.3	98.9	98.3	+1.4	+2.0
Transportation.....	109.3	105.2	108.0	+3.9	+1.2	Transportation.....	108.1	103.8	106.7	+4.1	+1.3
Sundries.....	106.8	106.6	101.9	+0.2	+4.8	Sundries.....	105.6	105.4	102.1	+0.2	+3.4
<b>Baltimore</b>						<b>Richmond</b>					
All Items.....	103.2	102.5	100.6	+0.7	+2.6	All Items.....	101.8	101.6	101.3	+0.2	+0.5
Food.....	99.4	100.0	96.6	-0.6	+2.9	Food.....	97.1	99.5	97.4	-2.4	-0.3
Housing.....	103.9	103.2	101.2	+0.7	+2.7	Housing.....	103.0	102.5	102.0	+0.5	+1.0
Apparel.....	101.5	101.4	100.4	+0.1	+1.1	Apparel.....	101.1	100.2	100.4	+0.9	+0.7
Transportation.....	109.3	102.9	106.9	+6.2	+2.2	Transportation.....	106.8	101.9	106.5	+4.8	+0.3
Sundries.....	105.0	106.0	102.3	-0.9	+2.6	Sundries.....	103.7	104.0	103.1	-0.3	+0.6
<b>Boston</b>						<b>Rochester</b>					
All Items.....	103.2	102.6	100.3	+0.6	+2.9	All Items.....	102.8	102.4	101.4	+0.4	+1.4
Food.....	99.4	100.2	97.2	-0.8	+2.3	Food.....	101.9	102.8	99.9	-0.9	+2.0
Housing.....	104.7	103.8	101.1	+0.9	+3.6	Housing.....	102.1	102.0	100.4	+0.1	+1.7
Apparel.....	101.0	100.2	98.8	+0.8	+2.2	Apparel.....	100.3	99.8	98.7	+0.5	+1.6
Transportation.....	107.4	104.3	103.2	+3.0	+4.1	Transportation.....	106.0	102.5	106.5	+3.4	-0.5
Sundries.....	106.1	105.1	103.3	+1.0	+2.7	Sundries.....	104.7	103.9	103.5	+0.8	+1.2
<b>Chattanooga</b>						<b>St. Louis</b>					
All Items.....	101.4	100.6	99.9	+0.8	+1.5	All Items.....	102.1	101.6	100.5	+0.5	+1.6
Food.....	96.6	96.7	95.4	-0.1	+1.3	Food.....	98.9	100.7	97.6	-1.8	+1.3
Housing.....	101.3	100.7	100.3	+0.6	+1.0	Housing.....	102.6	101.7	101.1	+0.9	+1.5
Apparel.....	104.2	102.3	100.6	+1.9	+3.6	Apparel.....	102.1	101.2	99.6	+0.9	+2.5
Transportation.....	108.6	104.5	106.4	+3.9	+2.1	Transportation.....	106.5	102.8	106.3	+3.6	+0.2
Sundries.....	103.8	104.1	102.9	-0.3	+0.9	Sundries.....	103.4	102.5	100.8	+0.9	+2.6
<b>Dallas</b>						<b>San Francisco-Oakland</b>					
All Items.....	101.8	101.1	100.7	+0.7	+1.1	All Items.....	104.1	103.0	101.7	+1.1	+2.4
Food.....	98.7	99.8	97.9	-1.1	+0.8	Food.....	102.2	100.5	98.8	+1.7	+3.4
Housing.....	101.6	101.5	100.6	+0.1	+1.0	Housing.....	103.7	103.3	102.5	+0.4	+1.2
Apparel.....	101.2	99.8	98.7	+1.4	+2.5	Apparel.....	101.5	101.2	99.9	+0.3	+1.6
Transportation.....	105.7	101.0	105.1	+4.7	+0.6	Transportation.....	105.3	101.8	104.9	+3.4	+0.4
Sundries.....	103.5	102.8	102.4	+0.7	+1.1	Sundries.....	107.8	107.9	103.5	-0.1	+4.2
<b>Detroit</b>						<b>Wilmington</b>					
All Items.....	104.2	103.3	102.1	+0.9	+2.1	All Items.....	102.5	101.9	100.7	+0.6	+1.8
Food.....	102.8	102.1	99.3	+0.7	+3.5	Food.....	98.5	99.6	95.8	-1.1	+2.8
Housing.....	105.2	104.7	103.1	+0.5	+2.0	Housing.....	103.2	102.7	101.9	+0.5	+1.3
Apparel.....	100.4	100.2	99.3	+0.2	+1.1	Apparel.....	100.4	100.4	99.6	0	+0.8
Transportation.....	106.4	102.7	106.8	+3.6	-0.4	Transportation.....	106.5	101.8	106.1	+4.6	+0.4
Sundries.....	105.7	105.2	103.5	+0.5	+2.1	Sundries.....	106.3	105.0	103.4	+1.2	+2.8



gain in prices of any month above the year-earlier level. Food prices, although off during November, were still 2.6% above November, 1955. And all subgroups within food registered increases. The meat, fish and poultry index was 2.0% higher, and vegetables and fruits increased 4.2%. Cereal and bakery products advanced 2.1%, with the price of bread up 3.4%. The dairy products and eggs index was up 2.0%, with fresh milk prices higher by 5.7% and butter following with a rise of 4.6%. The "other food" index rose mainly because of the sharp increases in prices for coffee and fats and oils.

Housing costs were up 1.6%, with fuel, power and water advancing 2.3%. Household-operations costs followed with a 2.2% advance, and rents and house-furnishings were up 1.8% and 0.6%, respectively.

Apparel was 1.4% higher, reflecting substantial price increases for men's apparel and clothing services. Women's clothing, which has remained steady throughout the year, was down only fractionally.

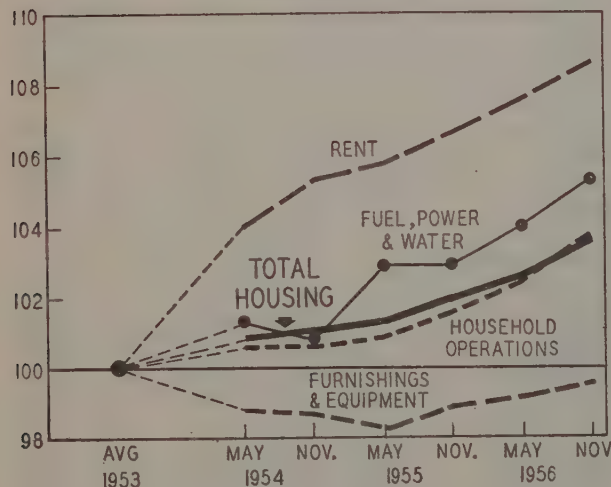
Transportation costs rose 4.7%, with both automobile and public transportation advancing more than 4.0%. The sundries index was 2.4% higher, as medical charges rose substantially. Personal care items were also up considerably, while recreation costs and alcoholic beverages and tobacco registered lesser increases.

#### HOUSING INDEX SINCE 1953

Since 1953, consumer prices have remained relatively stable, as divergent movements of the various components in the index tended to balance each other out. Food, for example, was generally weak during this period. This contrasted with housing costs, which have made gradual but steady gains. The housing index in November, 1956, stood 3.6% above the 1953 level, whereas food was up only 0.5%.

**Housing Index with Selected Subgroups**

1953 = 100

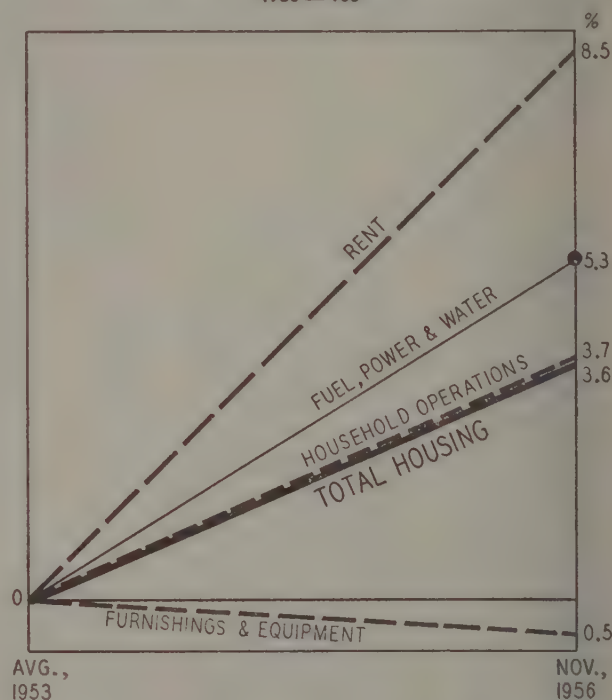


These accompanying charts illustrate the steady rise in the housing index and its subgroups. As can be seen, rent has shown the most substantial increase. By May, 1954, this index was 4.0% above its 1953 level. And relaxation of rent controls in some communities has resulted in further advances, with the index now 8.5% higher than in 1953.

The fuel, power and water index, except for a slight dip in November, 1954, has also climbed continuously. Both gas and electricity rates have moved up steadily. The fuel, power and water index is now 5.3% higher than it was in 1953, with 2.3% of the increase occurring in 1956.

**Percentage Change in Housing Index with Selected Subgroups**

1953 = 100



Furnishings and equipment is the only group of items that stands at a lower level than in 1953. This index rose sharply at the beginning of the Korean conflict, but a steady decline was noted from 1951 until late 1955. Then, in November, 1955, reversing itself, the index started making steady gains, so that the November, 1956, level is only 0.5% below 1953. In recent months, firmer prices for appliances and higher furniture charges have bolstered the index.

Household-operations costs have risen steadily, with a steeper uptrend in evidence since May, 1955. Prices have advanced 3.7% over the three-year period.

HARRY S. DENNING  
Statistical Division

# Foremen in Bargaining

(Continued from page 5)

each meeting. After each session, management spends from a half hour to an hour with them to review what happened and answer questions. Each supervisor then reports back to his group." Another company spokesman states: "Foremen gain intimate knowledge of the agreement and are thus prepared to answer any of their employees' questions that arise during or after negotiations. This knowledge enables them to 'take the ball away' from the union stewards on many occasions."

**3. Better Understanding of Negotiation Process.** A manufacturing company official tersely states: "Foremen and supervisors [who sit in on bargaining sessions] are not so prone to think that the union is being coddled." Another official continues in the same vein: "Foremen realize the 'why' of certain unfavorable clauses. The problems in negotiating which management faces are revealed to them. It gives them information as to why we don't always get things done in bargaining just the way they think they should be done."

**4. Union Less Likely To Make Distorted Statements.** Several companies say that when foremen are actually present during a negotiation session, the union is less likely to make distorted statements about shop conditions, because the foremen can refute them. The union finds it necessary to be more factual in its charges against supervision. Another company adds: "Without the foremen present, many things are brought up with which even the superintendent may not be familiar; and this tends to weaken the bargaining team for management."

**5. Aids in Executive Development.** In some companies, allowing a foreman or supervisor to sit in on negotiations provides valuable training for future labor negotiations work, as well as training in day-to-day administration of the contract. One company points out that supervisors who are chosen either by management or their fellow supervisors to participate in or to observe negotiations are likely candidates for higher positions in management. An oil company executive whose company allows foremen only to observe feels that actual participation in negotiations is of more value than just observance. He states: "Our system is of some value in training future negotiators and making them more aware of the intent of the finished contract, but the value is rather limited because of their lack of actual participation."

## COMMUNICATING DURING NEGOTIATIONS

Almost without exception, the companies in this survey make a point of letting their foremen and super-

visors know "something" about what is going on in the negotiating room. But that "something" varies from extremely general information given out to all employees including foremen and supervisors, to highly confidential verbatim reports of negotiation proceedings. As Table 4 shows, communication is sometimes in the form of written material, sometimes it is oral, as in special foremen's meetings, and sometimes a combination of the two are used.

Written communications are many and varied. Information on the progress of negotiations is sometimes included in management bulletins, designated as "confidential." Other companies circulate letters and bulletins among *all* employees. A few companies, mostly small, distribute minutes of the negotiating sessions among their supervisory staff. An airline teletypes, over its entire system, messages to foremen and supervisors concerning negotiations.

Oral communications may include meetings with foremen who have been sitting in on the negotiations; they report what has been going on to their colleagues. Some companies use an oral communicator, a device by which foremen are given a number to dial on the telephone, and hear a recorded report of developments.<sup>1</sup> In a few companies, messages are broadcast over a public address system, to be heard by all.

## Written vs. Oral Communications

There is considerable difference of opinion among industrial relations executives on the advantages and disadvantages of written and oral communications. Executives who oppose using written material state that too often confidential matter may fall into the hands of those for whom it was never intended; that it is often very difficult to put a "ticklish" subject on paper.

<sup>1</sup> "Management News," *Management Record*, October, 1956, p. 355.

**Table 4: What 194\* Companies Do About Communicating with Foremen and Supervisors During Negotiations**

	Total Companies	Size of Company			
		1-249 Em- ployees	250-999 Em- ployees	1,000-4,999 Em- ployees	5,000 and Over Em- ployees
Do communicate <sup>1</sup> . . . .	179	19	41	57	62
Through written material only . . . .	6	1	0	1	4
Through oral communications only . . . .	97	17	32	32	16
Through oral and written communications . . . . .	76	1	9	24	42
Do not communicate . . . .	10	2	0	6	2
No answer . . . . .	5	1	1	1	2

\* The total number of companies (194) is different from the original base of 213 because nineteen companies did not feel that they had sufficient experience in this field to answer this part of the questionnaire.

<sup>1</sup> Includes six companies that use communications only when negotiations reach a critical stage or a strike is on.



A number of other industrial relations executives believe, however, that written information is the most effective way for them to communicate with supervisors and foremen. They say that some companies are too large or are not organized in such a way that supervisors can easily be called together for a meeting. And they believe that less distortion occurs when information is written. A spokesman for this group states: "Written communications get *facts* to our employees 'straight.' We believe facts should always be presented in writing, never orally."

A company that uses a variety of techniques to keep its foremen and supervisors informed describes these procedures in this manner:

"Bulletins are sent daily to all management employees during the negotiations. These bulletins include a resume of the status of the negotiations, any significant developments that occurred during the day and a summary of the union's and the company's positions with respect to the collective bargaining issues. Upon occasion, management employees are kept advised by a chain-calling procedure or through telephone conference calls in the event it seems necessary to furnish information to them prior to the receipt of the management bulletins."

#### Reaction of Union Negotiators

Regardless of *how* information is conveyed, company executives say that one of their biggest difficulties in the area of communicating with foremen is the reaction that the union will have to a company's giving "special" information to its foremen and supervisors. Some company executives say they have found themselves in a kind of no-man's land, caught between their desire to let their foremen know what is going on, and the possibility that if the union objects, the negotiations will become more strained, and bargaining more difficult.

THE CONFERENCE BOARD asked the 194 cooperating companies<sup>1</sup> if the unions they dealt with had ever objected to their communicating with supervisors and foremen. The following answers were received:

Union objected .....	32
Union did not object.....	147
No answer .....	15
<b>Total .....</b>	<b>194</b>

Where union officials object to the company's giving information to its foremen and supervisors, they often do so because they believe that until *all* negotiations are settled, a certain amount of secrecy should surround the bargaining, and information relating to specific details should not be divulged. With this, many in management agree. Another common union objection is that supervisors sometimes let information "leak out" to the union members that the union team does not wish known, or before the union negotiators have

had a chance to call a meeting of their members and advise them directly.

Because of possible union objections, a number of industrial relations executives say they are particularly careful about the type of information that is given out to supervisors. While they insist that it is their right to let their supervisors know what is going on, they couch their language in such a way as to avoid putting the union negotiators on the "spot."

A midwestern company states that until *all* negotiations have been completed and agreed to, it avoids phrases like "The company and the union agreed to . . ." Instead it substitutes more general language such as "There was considerable discussion about . . ." In this way, nothing is written that could put either party in the embarrassing position of being committed to anything about which there had been only tentative agreement.

A utility company executive sums up his company's policy in this manner:

"The problem of communication with supervisory employees during negotiations is one that has been reviewed and studied many times in this company in recent years. Management feels that information about the progress of bargaining should not be widely disseminated during negotiations, for fear of compromising the position of the union representatives and leading to a situation where they cannot bargain effectively. The company has found from experience that the bargaining process must be surrounded with a certain amount of secrecy in order to insure that each side maintains running room for concessions and compromises. Management is also aware that the items of most news value are the settlements, and both parties have recognized that any single item is tentative until *all* demands have been settled.

"Such practices have been successful because the company and the union have so far been able to settle all differences amicably. . . . As soon as there is something newsworthy to report (that is, when a settlement has been reached), the company makes sure that a complete and detailed report of the discussions and settlements is widely circulated."

JAMES J. BAMBRICK, JR.

MARIE P. DORBANDT

*Division of Personnel Administration*

**Successful Handling of Labor Grievances**—The authors examine industrial grievances from their beginnings to their final resolution. They discuss at length the definition of a grievance as well as the purposes and operation of grievance machinery. Grievance clauses in contracts are also described and examples given. Different opinions on grievance procedures are considered but the authors themselves claim that they do not recommend any "best" procedure. By Bertram R. Crane and Roger M. Hoffman, *Central Book Company, Inc., New York, New York, 1956, 307 pp. \$5.95.*

<sup>1</sup> See footnote to Table 4.

# Fringes for Supervisors

(Continued from page 13)

*Chemical company*—Salary payments are continued without waiting period as follows:

Service up to three months, individual consideration.

3 mos. to 1 yrs.' service—30 working days full pay and 30 at  $\frac{1}{2}$  pay.

1 to 2 yrs.' service —40 working days full pay and 80 at  $\frac{1}{2}$  pay.

Over 2 yrs.' service —60 working days full pay and 120 at  $\frac{1}{2}$  pay.

*Textile company*—"Salaried employees are paid straight time during disability up to seventeen weeks."

*Paper company*—"Payments begin with first day of absence. Full salary is paid for varying lengths of time depending upon individual circumstances. Payments have been made for as long as one year but there is no definite minimum or maximum."

*Paper company*—Regular employees get two weeks annually.

Supervisors get:

1 to 5 years' service — 1 mo. full pay, 2 mos.  $\frac{1}{2}$  pay.

5 to 10 years' service — 2 mos. full pay, 1 mo.  $\frac{1}{2}$  pay.

Over 10 years' service — 3 mos. full pay.

Then under salary continuation insurance.

*Textile company*—

Service Sick Leave Pay

To 1 year  $\frac{1}{2}$  month, full pay

1 to 2 years  $1\frac{1}{2}$  mos., full pay

2 to 5 years  $1\frac{1}{2}$  mos., full pay plus 60% sal. for 1 mo.

5 to 10 years 2 mos., full pay plus 60% sal. for  $1\frac{1}{2}$  mo.

10 to 15 years  $2\frac{1}{2}$  mos., full pay plus 60% sal. for 2 mo.

15 to 20 years 3 mos., full pay plus 60% sal. for  $2\frac{1}{2}$  mo.

20 to 25 years  $3\frac{1}{2}$  mos., full pay plus 60% sal. for 3 mo.

Over 25 years 4 mos., full pay plus 60% sal. for 4 mo.

*Bank*—"One sixteenth of net days of service less the number of days for which sickness benefits were previously paid. Absences in excess of thirty continuous days are handled on individual case basis."

*Insurance company*—

Service Sick Leave Pay

Less than 6 mos. None for first 3 days of absence,\* then full pay for 5 weeks;  $\frac{1}{2}$  pay add'l 5 weeks.

6 mos. to 1 yr. None for first 3 days of absence,\* then full pay for 10 weeks.

1 to 2 yrs. Full pay for 15 wks.

2 to 5 yrs. Full pay for 26 wks.

5 to 10 yrs. Full pay for 26 wks. and  $\frac{1}{2}$  pay add'l 26 weeks.

10 yrs. or more Full pay for 52 wks.

\*3-day deduction applies only to those eligible for overtime pay.

## Group Insurance Plans

When companies have group insurance plans—hospitalization, medical, surgical and life insurance—for rank-and-file employees, it is common practice to include first-line supervisors in such plans. Almost 75% of the companies in the survey have their supervisors covered by group medical plans, and nearly all the

companies include them in their group hospitalization, surgical and life insurance programs.

Under such plans, the common practice is to have the supervisor and the company share the cost of the premiums. However, in many instances the company bears the full cost, while it is comparatively rare for the supervisor to pay the entire amount for his insurance.

A breakdown of who pays under these various insurance plans is shown in Table 4.

In 61% of the total companies having such plans (54% of the manufacturing industries and 79% of nonmanufacturing), the benefits are the same for both groups of employees covered. But in 132 companies, the supervisor does benefit to a greater extent, usually because such programs are based on salary, and by virtue of his higher pay he gets higher benefits.

Some companies have two insurance plans—one is company paid for nonexempt employees, which may also cover the exempt supervisory employees; the other is a contributory plan with increased benefits, which the supervisor may elect to participate in. For instance, insurance coverage up to \$2,000 or \$5,000 is paid by the company, with exempt and nonexempt sharing alike. But while the nonexempt employee is limited to this coverage, the exempt supervisor can get more extensive coverage by contributing toward the cost of the additional insurance.

## Group Accident and Sickness Insurance Plans

As has just been shown, company paid sick leave plans are more prevalent for supervisors than for employees supervised. In contrast with this, the survey

Table 4: Who Pays Insurance Premiums

Insurance Plan	No. of Companies	% of Companies
Total companies	363	100%
<i>Hospitalization</i>		
% of total surveyed	357	98
Company pays	139	38
Supervisor pays	35	10
Both pay	183	50
<i>Medical</i>		
% of total surveyed	259	73
Company pays	102	28
Supervisor pays	35	10
Both pay	122	34
<i>Surgical</i>		
% of total surveyed	353	97
Company pays	134	37
Supervisor pays	38	10
Both pay	181	50
<i>Life Insurance</i>		
% of total surveyed	357	98
Company pays	94	26
Supervisor pays	11	3
Both pay	252	69



indicates that group accident and sickness insurance are more common for supervised employees. One hundred and ninety-five (74%) of the manufacturing industries have group accident and sickness insurance plans covering their hourly employees, while 161 (61%) have such plans covering supervisors.

Among the nonmanufacturing companies, the ratio is closer. Supervised employees are insured against accident or sickness in 58% of the companies and supervisors are insured in 56%. Of the total 363 companies, supervised employees are insured in 70% of the companies as compared to 60% that cover supervisors.

And of the 218 companies that have group accident and sickness insurance plans for their supervisory employees, 81% use the same insurance plan to cover both supervisor and those supervised.

#### Pension Plans

All but twenty-six of the 363 companies in the survey attempt to insure some future security for their first-line exempt supervisory personnel through a company pension plan. In 46% of the plans, the company underwrites the entire cost of the program, while in 54% of the plans the supervisor contributes to the pension fund.

Seventy-eight (32%) of the manufacturing companies report that the pension plan for their supervisors is more liberal than that for the employees supervised, while only seven of the 101 nonmanufacturing companies state that their supervisors enjoy greater benefits. In some instances this advantage refers to companies in which the hourly paid employees are not covered by any pension plan. In a few, the supervisor becomes eligible for the pension program after a shorter period of service than is required of the nonexempt employee. However, in most cases the more liberal elements derive from the supervisor having the option to participate in either a noncontributory plan with limited benefits which applies to the nonexempt employees or a contributory plan with greater benefits which is available to all salaried personnel.

In pension programs, as in the insurance plans described earlier as well as some other areas of fringe benefits, the supervisor in factory operations is more likely to have an advantage benefitwise over the employees supervised, while there is a closer balance between the two levels of employees in office operations.

There are two possible reasons why this is so. The company may emphasize special benefits for supervisors in factory operations because their salary advantage is more precarious where those under them frequently do extra work at guaranteed premium rates, which is less often the case in office operations. There may be some concern, too, that the supervisor in the factory—because of his contact with unionized

employees—may come to regard his pattern of compensation as dependent upon benefits granted to the rank and file through negotiations. Discretionary benefits may serve to remind him of his managerial status.

The salaried status of the supervisor in the plant is in itself an indication of his management role and, since so many fringe benefits are established for the salary group as a whole, it can be used to give him an advantage over extra compensation plans designed for hourly paid employees. In office operations or in nonmanufacturing industries where both levels of employees are salaried, the supervisor is less likely to enjoy direct monetary advantages in fringe benefit programs. He participates in such programs not so much as a member of management as just another salaried employee.

JOHN O'BRIEN

*Division of Personnel Administration*

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### Management Bookshelf

**Leadership and Role Expectations**—This is a report on a scientific study of the relationship between expectation and performance in the leadership role. Role performance is described in terms of what the leader is *seen* to be doing; role expectation is represented by what the leader and his followers *think he ought* to do. Forty-seven superiors in a large research organization described their own behavior and role expectation on a variety of items, such as work performance, leader behavior, authority, etc. Two subordinates described what each superior does and ought to do on the same items. These data are analyzed in terms of the relationship between statements on performance and expectations made by the superiors and statements made by subordinates on the performance and expectations of superiors; also the data are analyzed in terms of discrepancies between observed behavior and expected behavior. The result is a detailed and technical description of superior-subordinate relationships in organized groups. *By Ralph M. Stogdill, Ellis L. Scott, and William E. Jaynes, Bureau of Business Research, Ohio State University, Columbus, Ohio, 1956, 168 pp. \$2.*

**Appraising and Integrating Employee Benefits**—The author first defines employee benefits and then expands into a discussion of how these benefits—many of which have “just grown” as a result of legislation, imitation, collective bargaining and chance—can be evaluated and integrated into an employee benefit *program* which meets the needs of employees and yet remains within the resources of the individual employer. The text is derived from an address given at the Southwest Area Conference on Industrial Relations. *By Robert D. Gray, Industrial Relations Section, California Institute of Technology, Pasadena, California, 1956, 24 pp. \$1.*

# Significant Labor Statistics

Item	Unit	1956							Year Ago	Percentage Change	
		Nov.	Oct.	Sept.	August	July	June	May		Latest Month over Previous Month	Latest Month over Year Ago
<b>Consumer Price Indexes</b>											
All Items.....	1953 = 100	103.2	102.7	102.4	102.3	102.1	101.7	101.2	100.7	+0.5	+2.5
Food.....	1953 = 100	100.5	100.8	100.3	100.4	100.1	99.2	97.7	98.0	-0.3	+2.6
Housing.....	1953 = 100	103.6	103.4	103.3	103.0	102.8	102.7	102.6	102.0	+0.2	+1.6
Apparel.....	1953 = 100	100.7	100.5	100.3	100.2	100.0	99.9	99.7	99.3	+0.2	+1.4
Transportation.....	1953 = 100	107.7	104.1	104.1	103.9	104.0	103.9	104.1	102.9	+3.5	+4.7
Sundries.....	1953 = 100	105.2	105.0	104.7	104.5	104.2	103.9	103.8	102.7	+0.2	+2.4
Purchasing value of dollar.....	1953 dollars	96.9	97.4	97.6	97.8	97.9	98.3	98.8	99.3	-0.5	-2.4
(BLS) All Items.....	1947-1949 = 100	117.8	117.7	117.1	116.8	117.0	116.2	115.4	115.0	+0.1	+2.4
<b>Employment Status<sup>1</sup></b>											
Civilian labor force.....	thousands	67,732	68,082	68,069	68,947	69,489	69,430	67,846	67,206	-0.5	+0.8
Employed.....	thousands	65,269	66,174	66,071	66,752	66,655	66,503	65,238	64,807	-1.4	+0.7
Agriculture.....	thousands	6,192	7,173	7,388	7,265	7,700	7,876	7,146	6,920	-13.7	-10.5
Nonagricultural industries.....	thousands	59,076	59,000	58,683	59,487	58,955	58,627	58,092	57,887	+0.1	+2.1
Unemployed.....	thousands	2,463	1,909	1,998	2,195	2,833	2,927	2,608	2,398	+29.0	+2.7
<b>Wage Earners<sup>2,3</sup></b>											
Employees in nonagr'l establishm'ts....	thousands	p 52,418	r 52,421	r 52,261	51,881	50,896	51,709	51,197	51,262	A	+2.3
Manufacturing.....	thousands	p 17,127	r 17,222	r 17,121	17,034	16,291	16,809	16,715	17,052	-0.6	+0.4
Mining.....	thousands	p 809	r 810	r 818	817	746	812	786	783	-0.1	+3.3
Construction.....	thousands	p 3,186	r 3,298	r 3,340	3,353	3,270	3,257	3,040	2,921	-3.4	+9.1
Transportation and public utilities....	thousands	p 4,162	r 4,174	r 4,179	4,178	4,148	4,181	4,138	4,139	-0.3	+0.6
Trade.....	thousands	p 11,498	r 11,238	r 11,164	11,047	11,015	11,091	10,985	11,213	+1.9	+2.5
Finance.....	thousands	p 2,308	r 2,308	r 2,321	2,355	2,342	2,320	2,289	2,238	0	+3.1
Service.....	thousands	p 6,003	r 6,044	r 6,105	6,137	6,137	6,089	6,041	5,883	-0.7	+2.0
Government.....	thousands	p 7,325	r 7,277	r 7,213	6,960	6,947	7,150	7,203	7,033	+0.7	+4.2
Production and related workers in mfg. employment											
All manufacturing.....	thousands	p 13,338	r 13,448	r 13,335	13,245	12,514	13,078	13,036	13,487	-0.8	-1.1
Durable.....	thousands	p 7,795	r 7,758	r 7,583	7,541	7,081	7,602	7,613	7,829	+0.5	-0.4
Nondurable.....	thousands	p 5,543	r 5,690	r 5,752	5,704	5,433	5,476	5,423	5,658	-2.6	-2.0
Average weekly hours											
All manufacturing.....	number	p 40.6	r 40.7	40.7	40.2	40.0	40.1	40.0	41.2	-0.2	-1.5
Durable.....	number	p 41.5	r 41.5	41.4	40.7	40.6	40.8	40.7	41.8	0	-0.7
Nondurable.....	number	p 39.3	r 39.8	39.7	39.5	39.3	39.2	39.1	40.3	-1.3	-2.5
Average hourly earnings											
All manufacturing.....	dollars	p 2.03	2.02	2.00	1.98	1.97	1.97	1.96	1.93	+0.5	+5.2
Durable.....	dollars	p 2.16	2.15	2.13	2.10	2.07	2.09	2.08	2.05	+0.5	+5.4
Nondurable.....	dollars	p 1.85	1.83	1.82	1.81	1.82	1.81	1.80	1.74	+1.1	+6.3
Average weekly earnings											
All manufacturing.....	dollars	p 82.42	r 82.21	81.40	79.60	78.80	79.00	78.40	79.52	+0.3	+3.6
Durable.....	dollars	p 89.64	r 89.23	88.18	85.47	84.06	85.27	84.66	85.69	+0.5	+4.6
Nondurable.....	dollars	p 72.71	r 72.83	72.25	71.50	71.53	70.95	70.38	70.12	-0.2	+3.7
Straight time hourly earnings (estimated)											
All manufacturing.....	dollars	p 1.97	1.96	1.94	1.92	1.92	1.91	1.91	1.86	+0.5	+5.9
Durable.....	dollars	p 2.08	2.07	2.05	2.03	2.00	2.02	2.01	1.96	+0.5	+6.1
Nondurable.....	dollars	p 1.81	r 1.78	1.78	1.77	1.78	1.77	1.76	1.69	+1.7	+7.1
<b>Turnover Rates in Manufacturing<sup>2</sup></b>											
Separations.....	per 100 employees	p 3.3	r 3.5	4.4	3.9	3.2	3.4	3.7	3.1	-5.7	+6.5
Quits.....	per 100 employees	p 1.3	1.7	2.6	2.2	1.5	1.6	1.6	1.4	-23.5	-7.1
Discharges.....	per 100 employees	p 0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0	0
Layoffs.....	per 100 employees	p 1.5	r 1.3	1.4	1.2	1.2	1.3	1.6	1.2	+15.4	+25.0
Accessions.....	per 100 employees	p 2.9	r 4.0	4.1	3.8	3.3	4.2	3.3	3.3	-27.5	-12.1

<sup>1</sup> Bureau of the Census.

<sup>2</sup> Bureau of Labor Statistics.

<sup>3</sup> The BLS has adjusted its nonfarm employment and hours and earnings series to first quarter 1965 benchmark levels. The benchmark level is the total count of workers

covered in each industry, and in this instance the data were received from government social insurance programs. The adjustment affects all figures since February, 1956.  
p Preliminary. r Revised. A Less than .05% change.



# Wage Settlements in November–December

Important provisions of some of the longer-term contracts confirmed in this period are highlighted here on an industry basis

**NEW CONTRACTS** were written in ninety-eight settlements (three-fourths of the United States settlements) reported for the November 16–December 15 period. Fifty-six are for periods longer than one year, with thirty-four of them providing for automatic raises in 1957. Twelve may be reopened, while six make no provision for general wage changes during the length of the contract.

Important settlements in several industries that feature long-term contracts with automatic wage increases will be considered here.

## Shipping

In agreements with the Sailors' Union of the Pacific, the Marine Firemen and the Marine Cooks and Stewards, two shippers—the American President Lines and Pacific Far East Lines, Inc.—will raise wages 7.1%. The settlement follows negotiations conducted under a wage-reopening provision, and the contract is extended through 1958, with another opening on October 1, 1957.

## Transportation Equipment

Two transportation equipment firms have signed three-year contracts that affect 3,300 wage earners. The Sun Shipbuilding and Dry Dock Company, in an agreement with the Boilermakers, is increasing wages 7.86% now, with another 3.643% raise in 1957. In addition, provision is made for a wage reopening in 1958. Fringe benefit changes include a new holiday, four weeks' vacation pay after twenty-five years' service with the company, and improved hospitalization benefits.

General Railway Signal Company, in an agreement concluded with the International Union of Electrical Workers, AFL-CIO, will raise day workers' rates 6%; all pieceworkers will get a 5 cents per hour increase. Automatic 3% increases will take effect in 1957 and again in 1958. Also, an eighth paid holiday (the Friday after Thanksgiving) will be added in 1958.

## Meat Packers

Three major meat-packing agreements confirmed during the month completed 1956 negotiations in this industry. Cudahy, Swift and Wilson have all agreed to raise hourly wages 10 cents now, with another 7.5 cent increase in 1957 and 1958. These contracts with

the Meatcutters and the Packinghouse Workers include extensive fringe adjustments similar to those reported in these pages last month.

## Electrical Machinery

Two new contracts reported by electrical machinery manufacturers are for periods longer than one year.

(Text continued on page 34)

### Wage Adjustments and Contract Duration

December and the First Eleven Months of 1956

The ninety-eight hourly wage adjustments reported this month averaged 9 cents; the thirty-four percentage increases ranged from 3% to 12%.

During the preceding eleven-month period, the average hourly increase was 10 cents. The following tabulation compares the hourly wage adjustments confirmed during the current month (November 16 to December 15) with those tabulated over the previous eleven months:

Cents per Hour Increases	% of Adjustments	
	Current Month	Previous Ten Months
Under 3 .....	1.0	0.7
3-5.9 .....	15.3	12.0
6-8.9 .....	32.7	34.1
9-11.9 .....	35.7	30.5
12-14.9 .....	9.2	12.5
15-17.9 .....	3.1	4.5
18 and over .....	3.1	5.6
Total .....	100.1*	99.9*
Number of Adjustments .....	98	727

\* Does not total 100% due to rounding.

### Contract Duration: Two Views

Three-fifths of the new contracts confirmed August through December will run longer than one year. The following tabulation is a two-way analysis of relevant provisions:

	No. of Contracts	% of Contracts
New Contracts .....	286	100
Short-term .....	112	39
Long-term <sup>1</sup> with automatic increases ..	103	36
Long-term with reopeners .....	57	20
Long-term with no provision .....	14	5
Long Term .....	174	100
Automatic increases .....	103	59
Reopeners .....	57	33
No provision for adjustment during contract .....	14	8

<sup>1</sup> Two years or longer.

# Wage Adjustments Announced Prior to December 15, 1956

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<b>Chemicals and Allied Products</b>				
American Cyanamid Company New Castle, Pa. <i>Oil, Chemical and Atomic Workers, AFL-CIO</i>	178 WE 10-22-56	\$.11 per hr.	(1) Shift premiums increased to \$.08 and \$.12 per hr. from \$.05 and \$.10 (2) 2 wks.' vacation after 2 yrs. (formerly after 3 yrs.)	Result of contract expiration. Contract term—2 yrs.
Sherwin-Williams Company Newark, N. J. <i>Paint, Varnish and Allied Products Workers, AFL-CIO</i>	249 WE 10-15-56	\$.10 per hr.	(1) 1 add'l paid hol. (2) Liberalized pension plan	Result of contract expiration. Contract term—1 yr.
<b>Communications</b>				
General Telephone Company of California Santa Monica, Cal. <i>Communications Workers, AFL-CIO</i>	6,123 WE 10-21-56	\$.1107 per hr. av.	Improved hrs. for operators; increased shift premiums for others	Result of contract expiration. Contract term—1 yr.
<b>Electrical Machinery, Equipment and Supplies</b>				
Thomas Edison Industries West Orange, N. J. <i>IUE, IBEW—both AFL-CIO; and Primary Battery Employees Assn., Inc., ind.—all WE</i> No union—S	1,800 WE 11-5-56 400 S 12-3-56	\$.083 per hr. av., add'l \$.07 per hr. 11-1-57—WE 4%—S	(1) Company assumes full premium for medical and surgical ins.—WE & S (2) 2.5 times pay for hols. worked (formerly 2 times)—WE & S (3) Jury duty differential pay—WE & S (new for WE only) (4) Christmas Eve time off increased to 4 hrs. from 3—WE & S	Result of contract expiration. Contract term—2 yrs.—WE. General review—S
Western Electric Company Winston-Salem, N. C. <i>Communications Workers, AFL-CIO</i>	5,948 WE 10-29-56	\$.102 per hr.	None	Result of contract expiration. Contract term—3 yrs. Wage reopenings 10-28-57 and 10-28-58
<b>Fabricated Metal Products</b>				
Cornwell Quality Tool Co. Mogadore, Ohio <i>UAW, AFL-CIO</i>	150 WE 10-10-56	\$.06 per hr.	(1) Sick benefits increased to \$40 per wk. from \$35 (2) 2 wks.' vacation after 3 yrs. (formerly after 5 yrs.), plus 1 extra day after 10 yrs.' service but less than 15 yrs.	Result of contract expiration. Contract term—1 yr.
International Steel Company Evansville, Ind. <i>Iron Workers, AFL-CIO—WE</i> No union—S	565 WE 1-1-57 (except wages) 250 S	\$.10 per hr. 10-15-56, add'l \$.07 per hr. 1-1-58 and 1-1-59—WE; 5%—S	3 wks.' vacation after 10 yrs. (formerly after 13 yrs.)—WE & S	Result of wage reopening. New 3-yr. contract written—WE. Tandem adj.—S
Lennox Mfg. Co. Chicago, Ill. <i>IUE, AFL-CIO</i>	125 WE 10-1-56	\$.10 to \$.15 per hr.	1½ add'l paid hols. (3 half hols.)	Result of contract expiration. Contract term—2 yrs.
Mesker Steel Company Evansville, Ind. <i>Iron Workers, AFL-CIO—WE</i> No union—S	125 WE 45 S 10-15-56	\$.10 per hr., add'l \$.07 per hr. 1958 and 1959—WE; 5%—S	None	Result of contract expiration. Contract term—3 yrs.—WE. Tandem adj.—S



# Wage Adjustments Announced Prior to December 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<b>Food and Kindred Products</b>				
Cudahy Packing Company Interstate <i>Packinghouse Workers, Meat Cutters, Teamsters, Operating Engineers—all AFL-CIO—WE;</i> n.a.—S	6,000 WE 10-1-56 n.a. S	\$ .10 per hr., add'l \$.075 per hr. 9-1-57 and 9-1-58—WE; 6% (min. \$4.40 per wk., max. \$11.50)—S	(1) Shift premiums increased to \$.095 per hr. eff. 1956, \$.10 eff. 1957 (2) Improved Sat. and Sun. pay for workers on around the clock operations (3) 2 wks.' vacation after 3 yrs. instead of after 5 yrs., eff. 1-1-57 (4) Expanded hosp., medical and surgical ins. (5) Company contribution to life ins. increased to 62% from 50% (6) Liberalized pension plan (7) Improved sick leave benefits (8) Female rates increased each yr. (9) Increased wage bracket spreads	Result of contract expiration. Contract term—3 yrs
Mavrakos Candy Company St. Louis, Mo. <i>Teamsters, AFL-CIO</i> —WE & S	250 WE 20 S 4-16-56 (signed 10-11-56)	\$ .05 per hr.—WE 5%—S	None	Result of wage reopening
Swift and Company Interstate <i>Packinghouse Workers, Meat Cutters—both AFL-CIO</i>	25,000 WE 9-24-56	\$ .10 per hr., add'l \$.075 per hr. 1957 and 1958	(1) 1.5 times pay for Sat. work as such, 2 times for Sun. except shift operators who will receive 5% premium for Sat., 10% for Sun., increased to 10% and 20% 1957, and to 15% and 30% 1958 (2) Liberalized sick and accident benefits and hosp., medical and surgical coverage (3) Semiannual cost of living adj.	Result of contract expiration. Contract term—3 yrs
Wilson & Co., Inc. Interstate <i>Packinghouse Workers, AFL-CIO</i>	7,000 WE 9-24-56	\$ .10 per hr., add'l \$.075 per hr. 9-1-57 and 9-1-58	(1) Cost of living adj. (2) Female rates to be increased each year (3) Improved sick leave plan (4) Improved 36-hr. guarantee (5) Improved Sat. and Sun. premium pay (6) Severance pay coverage expanded (7) Improved pension plan (8) Improved vacations (9) Add'l hospital-medical-surgical ins. benefits (10) Eligibility requirements for jury duty differential pay liberalized (11) Bracket spreads increased to \$.04 per hr. from \$.035 (12) Inequality rate adj.	Result of contract expiration. Contract term—3 yrs (Interim agreement signed 10-6-56, finally worded master agreement to be worked out)

# Wage Adjustments Announced Prior to December 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<b>Machinery (except Electrical)</b>				
Black, Sivalls & Bryson, Inc. Kansas City, Mo. <i>UAW, Machinists, Steelworkers— all AFL-CIO</i>	2,000 WE 10-1-56	5%	None	6 contracts; 5 for 3 yrs., 1 for 1 yr.
Fairbanks, Morse & Co. Kansas City, Mo. <i>Steelworkers, AFL-CIO</i>	500 WE 10-1-56	\$ .06 per hr. plus \$.005 increase in increments, add'l \$.05 per hr. plus \$.005 10-1-57, add'l \$.05 per hr. plus \$.0025 10-1-58	(1) Liberalized sick. and accident benefits, life ins. and hospitalization, eff. 10-58 (2) 7th paid hol., eff. 1959	Result of wage reopening
Harris-Seybold Company Cleveland, Ohio <i>UAW, AFL-CIO</i>	580 WE 11-4-56	\$ .09 per hr., add'l \$.06 per hr. 7-1-57	Pension increased to \$2 per mo. from \$1.50 for each yr. of service. Deferred vesting at age 65 for employees over 40 with 10 yrs.' service	Result of contract expiration. Contract term—18 mos.
Hoover Company North Canton, Ohio <i>Federal Labor Union, AFL-CIO</i>	1,800 WE 10-8-56	4%, add'l 3% 10-57 and 10-58	(1) Cost of living allowance \$.01 for each .5 change in index (2) 1 add'l paid hol. (2 half hols.) (3) Vacations graduated between 2 and 3 wks. for 11 to 14 yrs.' service (4) Shift premiums increased to \$.06 per hr. 1956, \$.07 1957, \$.08 1958	Result of contract expiration. Contract term—3 yrs.
I-T-E Circuit Breaker Company Greensburg, Pa. <i>Electrical Workers (UE), ind.— WE &amp; S</i>	648 WE 201 S 10-7-56	5.2% av.—WE 5.4% av.—S	(1) 2 wks.' vacation after 3 yrs.—WE; 3 wks. after 10 yrs., 4 wks. after 25 yrs.—WE & S—eff. 1-1-57 (2) Shift premium increased to \$.125 per hr. from \$.10—WE; to \$.21.75 per mo. from \$17.50—S (3) Sick and accident benefits increased to \$45 per wk. from \$35—WE	Result of contract expiration. Contract term—1 yr.
Mesta Machine Company New Castle, Pa. <i>Machinists, AFL-CIO</i>	150 WE 10-27-56	4.5%, add'l 3.5% 1957 and 1958	(1) Group ins. plan (2) Cost of living adj. (3) Differential pay for jury duty and military training (4) Graduated vacation pay schedule (5) Add'l shift premium (1957) (6) 7th paid hol.	First contract. Contract term—3 yrs.
Perfect Circle Corporation Hagerstown, Ind. <i>Hagerstown Independent Piston Ring Workers Union, ind.</i>	650 WE 10-1-56	\$ .05 per hr. Increase extended to all production and nonexempt clerical employees at company's Indiana plants	None	First contract. Contract term—21 mos. Wage reopenings: 1 before 7-1-57, 1 after
Wagner Electric Corporation St. Louis, Mo.; Edwardsville and Mt. Vernon, Ill. <i>IUE, AFL-CIO—WE &amp; S</i>	3,500 WE 1,000 S 10-1-56	\$ .06 per hr.—WE, \$10.40 per mo.—S; add'l \$.03 per hr. "end earnings" based on BLS-CPI—WE & S. Add'l \$.06 per hr.—WE; \$10.40 per mo.—S, 10-1-57	(1) 1.5 times pay for hols. worked in addition to hol. pay (formerly 1 times pay)—WE & S (2) Vested rights to deferred pension at age 55—WE & S (3) 1-day paid funeral leave—WE	Result of contract expiration. Contract term—2 yrs.



# Wage Adjustments Announced Prior to December 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<b>Miscellaneous Manufacturing</b>				
Groov-Pin Corporation Ridgefield, N. J. <i>IUE, AFL-CIO</i>	54 WE 10-4-56	\$.09 per hr.	(1) Liberalized group ins. (2) 4 wks.' vacation after 20 yrs. (3) Increased temporary disability benefits	Result of contract expiration. Contract term—1 yr.
<b>Paper and Allied Products</b>				
Kieckhefer Container Company New Orleans, La. <i>Paperworkers, AFL-CIO</i>	88 WE 10-1-56	\$.08 per hr., add'l \$.06 per hr. 10-1-57	(1) 3 wks.' vacation after 15 yrs. (2) Noncontributory hosp. and surgical ins. for employees, employees pay for dependency coverage	Result of contract expiration. Contract term—2 yrs.
Riley and Downer Orange, N. J. <i>IUE, AFL-CIO</i>	75 WE 10-1-56	\$.05 per hr., add'l \$.03 2-57, add'l \$.08 10-57	12 hrs.' funeral leave pay	Result of contract expiration. Contract term—2 yrs.
J. & J. Rogers Co. Au Sable Forks, N. Y. <i>Paperworkers, AFL-CIO—WE; n.a.—S</i>	375 WE 9-1-56 (signed 10-2-56) n.a. S	\$.06 per hr.—WE 5%—S	Military training differential pay—WE n.a.—S	Result of contract expiration. Contract term—20 mo. Wage reopening 12-1-56
<b>Primary Metal Products</b>				
Dow Chemical Company Madison, Ill. <i>Steelworkers, AFL-CIO</i>	580 WE 11-3-56	\$.082 per hr. 10-15-56, add'l \$.096 per hr. 10-15-57, add'l \$.093 per hr. 10-15-58	(1) 7th paid hol. (2) Cost of living adj. of \$.01 per hr. for each .5 change in BLS-CPI above 117.0 (3) Shift premiums increased to \$.08 and \$.12 per hr. from \$.05 and \$.10 (4) Sun. premium for non-overtime hrs.: 1.25 times pay (10-15-56), 1.35 (10-15-57), 1.50 (10-15-58)	Result of contract expiration. Contract term—3 yrs.
Penn Brass & Copper Co. Erie, Pa. <i>IUE, AFL-CIO</i>	175 WE 10-1-56	\$.11 per hr.	Quarterly cost of living adj. of \$.01 for each .5 change in BLS-CPI	Result of wage reopening. Contract expires 10-31-57
U. S. Reduction Company East Chicago, Ind. <i>Oil, Chemical and Atomic Workers, AFL-CIO</i>	225 WE 9-1-56 (signed 10-1-56)	\$.075 per hr., add'l \$.07 per hr. 1958, 1959, 1960	(1) 4 wks.' vacation after 25 yrs., 3 wks. after 15 yrs., 2 wks. after 3 yrs., 1 wk. after 1 yr., pro rata for less than 1 yr. (2) Shift premiums increased to \$.06 and \$.09 in 1956, to \$.07 and \$.10 in 1957, and \$.08 and \$.12 in 1958 (3) Sunday premium \$.20 per hr. in 1956, increased to \$.40 in 1957, \$.50 in 1959, \$.60 in 1960 (4) 1.5 times pay for hols. worked in addition to hol. pay (5) 7th paid hol. (6) Contributory life ins.—\$2,000 in 1956, \$3,000 in 1959, \$4,000 in 1960	Result of contract expiration. Contract term—5 yrs.

# Wage Adjustments Announced Prior to December 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
			(7) Contributory sick and accident benefits—\$47.50 per wk. in 1956, \$52.50 in 1958, \$55 in 1959, \$57.50 in 1960 (8) Contributory hospitalization—\$13 per day for room, \$260 max. for extra expenses, \$300 max. for surgical expenses (9) Pensions—\$2 per mo. for each yr. of service, 15 yrs. min., 30 yrs. max., retirement age 65 (10) 3 days' paid funeral leave (11) Jury duty differential pay	
<b>Printing and Publishing</b>				
Oregon Journal Portland, Ore. Newspaper Guild, AFL-CIO	200 S 6-1-56 (signed 11-12-56)	\$3.50 per wk., add'l \$2.50 11-12-56	None	Result of contract expiration. Contract term—2 yrs. Wage reopening 6-1-57
<b>Public Utilities</b>				
Pacific Gas and Electric Company San Francisco, Cal. Engineers and Scientists of California, ind.	1,000 WE & S 8-1-56 (10-26-56)	10.66%	4 wks.' (20 days) vacation after 25 yrs.	Result of contract expiration. Contract term—1 yr.
<b>Stone, Clay, and Glass Products</b>				
General Abrasives Company Niagara Falls, N. Y. Oil, Chemical and Atomic Workers, AFL-CIO	200 WE 9-30-56 (signed 10-5-56)	\$.14 per hr. av., add'l \$.09 per hr. 9-30-57	(1) Duration of sick and accident benefits increased to 26 wks. from 13 (2) Vacation pay liberalized (3) Blue Shield and Blue Cross 75% company paid (4) 2.5 times pay for hols. worked	Result of contract expiration. Contract term—3 yrs. Wage reopening after 2 yrs.
<b>Textile Mill Products</b>				
Cranston Print Workers Cranston, R. I.; Fletcher, N. C. Textile Workers, AFL-CIO—WE No union—S	940 WE 75 S 10-1-56	\$.06 per hr.—WE, Cranston; \$.10 per hr.—WE, \$3 per wk.—S, Fletcher	None	Result of wage reopening. Contract expires 5-1-57, Cranston; 10-31-61, Fletcher. Wage reopening 6-58, Fletcher—WE. Tandem adj.—S
Dan River Mills, Inc. Danville, Va. Textile Workers, AFL-CIO	9,500 WE 10-22-56	\$.097 per hr.	None	Result of wage reopening
Franklin Process Company Providence, R. I. Textile Workers, AFL-CIO	250 WE 10-8-56	\$.06 per hr.	(1) 8th paid hol. eff. 1956; 9th 1957 (2) Add'l work clothes for special employees in maintenance and drug room	Result of contract expiration. Contract term—2 yrs. Wage reopening 10-5-57
Mayles Biltmore Bleacheries Biltmore, N. C. Textile Workers, AFL-CIO—WE No union—S	449 WE 97 S 10-8-56	\$.05 per hr.—WE n.a.—S	None	Result of contract expiration. Contract term—2 yrs. —WE



# Wage Adjustments Announced Prior to December 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<b>Transportation</b>				
American President Lines, Ltd. San Francisco, Cal. <i>Sailors' Union of the Pacific, AFL-CIO; Marine Cooks and Stewards, Marine Firemen's Union—both ind.</i>	1,500 WE 10-1-56	7.1%	None	Result of wage reopening. Contract expires 10-58. Wage reopening 10-57
Charlotte City Coach Lines Charlotte, N. C. <i>Railroad Trainmen, ind.</i>	189 WE 10-1-56	\$.05 per hr.	No substantial change	Result of contract expiration. Contract term—1 yr.
Pacific Far East Lines, Inc. San Francisco, Cal. <i>Sailors' Union of the Pacific, AFL-CIO; Marine Cooks and Stewards, Marine Firemen's Union—both ind.</i>	Same agreement as with the American President Lines, Ltd., shown above			
<b>Transportation Equipment</b>				
General Railway Signal Co. Rochester, N. Y. <i>IUE, AFL-CIO</i>	1,000 WE 10-1-56	6%—dayworkers \$.05 per hr.—pieceworkers add'l 3% 10-1-57 and 10-1-58	8th paid hol. eff. 10-1-58	Result of contract expiration. Insurance reopener 6-30-57; pension reopener 10-1-57
Standard Steel Works North Kansas City, Mo. <i>Steelworkers, AFL-CIO</i>	352 WE 10-1-56	\$.06 per hr., add'l \$.055 per hr. 10-1-57 and 10-1-58. Add'l \$.005 increment during 1956 and 1957; \$.0025 increment in 1958	7th paid hol. after 1957	Result of wage reopening. Contract expires 10-1-59
Sun Shipbuilding and Dry Dock Co. Chester, Pa. <i>Boilermakers, AFL-CIO—WE &amp; S</i>	2,300 WE & S 10-4-56	7.86%, add'l 3.643% 10-1-57—WE & S	(1) Add'l paid hol.—WE (2) 4 wks.' vacation pay after 25 yrs.—WE & S (3) Hospital benefits increased—WE & S	Result of contract expiration. Contract term—3 yrs. Wage reopening 9-58

## CANADIAN WAGE ADJUSTMENTS

Canadian Exploration Ltd. Salmo, B. C. <i>Mine, Mill and Smelter Workers, ind.</i>	267 WE 7-16-56	\$1.15 per hr.	Shift premiums for 3rd shift increased to \$.10 per hr. from \$.08	Result of contract expiration. Contract term—2 yrs.
Canadian National Railways Nationwide <i>Railroad Trainmen, ind.</i>	6,576 WE 4-1-56 (signed 8-22-56)	7%; becomes 12% 6-1-57	(1) Improved vacation pay, 1-1-57 (2) 6 statutory hols. to yard service employees 1-1-57 (3) Premium pay for extra long trains on nonpassenger service, eff. 9-1-56 (4) Pay rates as adjusted include \$4.25 per mo. in lieu of health and welfare benefits, eff. 1-1-57	Result of contract expiration. Contract term—26 mos.
<i>Locomotive Engineers, and Locomotive Firemen and Enginemen—both ind.</i>	6,804 WE 5-1-56—Enginemen 4-1-56—Firemen	6%, becomes 8% 11-1-56; becomes 11% 6-1-57	Same as (4) above	Result of contract expiration. Contract term—2 yrs.
Courtaulds (Canada) Limited Cornwall, Ont. <i>Textile Workers, CLC</i>	1,820 WE 7-1-56	\$8.07 per hr.	(1) Life ins. increased to \$1,500 to \$1,000 (2) New hospital and ins. plan instituted	Result of contract expiration. Contract term—2 yrs.
Dow Chemical of Canada, Ltd. Sarnia, Ont. <i>Oil, Chemical and Atomic Workers, CLC</i>	450 WE 8-6-56	8.6%, add'l 4.5% 6-14-57	(1) Add'l paid hol. (2) 3 wks.' vacation after 15 yrs.; special bonus vacation for 10 yrs.' service increased to 10 days from 5 days	First contract. Contract term—2 yrs.

# Wage Adjustments Announced Prior to December 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Ferranti Electric Limited Toronto, Ont. <i>Electrical Workers (UE), ind.</i>	325 WE 9-26-56	\$ .07 per hr., add'l 2% 10-57 and 2.5% 10-58	(3) Group life ins. increased to \$4,250 from \$4,000. Half of unused sick benefits from previous year may be carried over  (1) Noncontributory welfare plan eff. 1-57 (2) \$75 settlement pay to each regular employee at start of any strike (3) Double time for Sun. work on other than normal working shift (4) Noncontributory pension plan eff. 10-1-57 (5) Cost of living adj. \$.01 for each .8 change in CPI, eff. 1-57	Result of wage reopening. Contract expires 9-30-59
Houdaille-Hershey Industries of Canada, Ltd. Oshawa, Ont. <i>UAW, CLC—WE &amp; S</i>	445 WE 6-24-56 37 S 7-23-56	\$ .065 per hr. av.—WE; \$.075 per hr. av., or \$.01 per wk.—S	(1) Premium increase: 2nd shift \$.08 per hr. from \$.06; 3rd shift \$.10 per hr. from \$.07—WE. Timekeepers increased by \$.02 and \$.03—S (2) Pension plan, eff. 1-1-58 —WE & S (3) SUB plan, eff. 1-1-57—WE (4) Life ins. increased—S	Result of contract expiration. Wage reopenings 6-23-57—WE, 7-22-57—S. Contract term—2 yrs.
Motor Products Corp. Windsor, Ont. <i>UAW, CLC</i>	710 WE 8-16-56	\$ .08 per hr., add'l increases in 1957 and 1958	Group ins. increased \$1,000 for men and \$2,000 for women	Result of contract expiration. Contract term—3 yrs.
Ontario Steel Products, Ltd. Chatham, Oshawa, Milton, Ont. <i>UAW, CLC</i>	800 WE 7-1-56	\$ .06 per hr., add'l \$.06 per hr. 7-1-57 and 7-1-58	(1) Improved pension (2) Increased sick benefits (3) Jury duty pay (4) 1 day's funeral leave pay (5) SUB plan eff. 7-1-57	Result of contract expiration. Contract term—2½ yrs.
RCA Victor of Canada, Ltd. Montreal, Que. <i>IUE, CLC</i>	950 WE 3-30-56 (signed 6-2-56)	\$ .05 per hr. (8.15%), add'l \$.05 per hr. in 2nd yr.	(1) Funeral leave pay (2) Improved hospital and surgical benefits (3) Improved vacations (4) Jury duty pay	Result of contract expiration. Contract term—2 yrs.
Riverside Silk Mills Guelph, Ont. <i>Textile Workers, CLC</i>	100 WE 10-1-56	\$ .05 per hr.	3 wks.' vacation after 20 yrs.	Result of contract expiration. Contract term—1 yr.
Sherritt-Gordon Mines, Ltd. Fort Saskatchewan, Alta. <i>Chemical Workers, CLC</i>	425 WE 7-1-56	5%	(1) Contributory group life ins. increased to \$4,000 (2) 1.5 times pay for hols. worked in addition to hol. pay (3) 4 wks.' vacation after 25 yrs. (4) Increased contribution to medical-surgical ins. plan	Result of contract expiration. Contract term—2 yrs.
Westeel Products Calgary, Alta. <i>Mine, Mill and Smelter Workers, ind.</i>	85 WE 5-31-56 (signed 9-13-56)	\$ .055 per hr.	(1) 3 wks.' vacation after 15 yrs. instead of 20 (2) Increased company contribution to welfare plan, eff. 11-1-56	Result of contract expiration. Contract term—1 yr.

WE, wage earner; S, salaried personnel; n.a., not available.

Fringe benefits include all benefits received by workers at a cost to employers.



(Text continued from page 26)

The Western Electric Company and nearly 6,000 Communications Workers at its Winston-Salem, North Carolina, plant agreed to an increase of 10.2 cents per hour. The three-year agreement can be reopened for wage negotiations in 1957 and 1958.

Thomas Edison Industries will raise wages of some 1,800 wage earners an average of 8.3 cents an hour now, with another 7 cent increase on November 1, 1957. This is the result of negotiations with IUE, IBEW, and the Primary Battery Employees Association, Inc. (an independent union). Also 400 salaried employees will get an increase of 4% as a result of a general review of salaries by the company.

#### Public Utilities

The Pacific Gas and Electric Company, in a contract with the Engineers and Scientists of California,

has agreed to raise the pay of 1,000 wage earners and salaried personnel 10.66%. The agreement also provides for four-week vacations after twenty-five years of service. The contract runs for one year.

#### Communication

Six thousand employees of the General Telephone Company of California will have their wages increased an average of about 11 cents an hour as a result of a one-year agreement with the Communications Workers. Provisions changing shift premiums and hours are also included.

Details of most of the 141 confirmed settlements in the United States and Canada can be found in the table beginning on page 27.

MITCHELL MEYER  
N. BEATRICE WORTHY  
Statistical Division

## Management Bookshelf

**AFL-CIO Labor United**—The author, who as general counsel of the Congress of Industrial Organizations participated actively in the merger discussion of the CIO with the American Federation of Labor, gives the historical background of the merger. He then tells how both organizations were finally unified. He also analyzes the AFL-CIO constitution in detail and discusses other important problems, such as the labor monopoly question, communism, corruption in unions, discrimination, and the new federation's public policy. He concludes with his views of labor's future role. The numerous appendixes include: the constitution of the AFL-CIO; the implementation agreement; the no-raiding agreement between the AFL and its affiliates and the CIO and its affiliates; the memorandum of understanding supplementary to the no-raiding agreement; the resolution on the achievement of unity; the report of the AFL-CIO unity committee to the first convention of the AFL-CIO; the CIO organizational disputes agreement; the AFL internal disputes plan; the list of original AFL-CIO officers and executive council members and their affiliations; and the list of affiliated national and international unions as of the date of the AFL-CIO first national convention. *By Arthur J. Goldberg, McGraw-Hill Book Company, New York, New York, 1956, 319 pp. \$5.*

**The Industrial Worker in Pennsylvania—1800-1840**—This study treats the development of trade unionism in Pennsylvania during the first four decades of the nineteenth century. The book discusses the industrial setting in the state during that period, the conditions of workers in the main industries, the beginnings of trade unionism, and industrial strife. It also analyzes the role played by labor in politics during the Jacksonian era and comes to the conclusion (differing from many other historians of the period) that wage earners were among the first to leave the Jackson bandwagon. The study contains three appendixes: a listing of trade societies in Pennsylvania in the 1830's; a summary of strikes in Pennsylvania from

1800 to 1840, and votes in the presidential and gubernatorial elections from 1828 to 1840. *By William A. Sullivan, Pennsylvania Historical and Museum Commission, Harrisburg, Pennsylvania, 1955, 253 pp. \$3.25.*

**Public Personnel Administration**—An extensively rewritten edition of a now standard work on personnel practices in all branches of the public service—federal, state and local. This version contains revised and additional material on the subjects of executive development, incentive systems, security of the state, and tenure. Three completely new chapters have been added as well: Career System Patterns, Public service Ethics in a Democracy, and Horizons of Public Personnel Administration. *By O. Glenn Stahl, Harper & Brothers, New York, New York, 1956, 628 pp. \$7.50.*

**The Psychology of Occupations**—Occupations are put in eight classifications: service, business contact, organization, technology, outdoors, the sciences, general cultural, and arts and entertainment. Usually six levels within each group are identified. It is the author's thesis that an individual's self-image conditions his occupational choice and level of performance. *By Anne Roe, John Wiley & Sons, New York, New York, 1956, 340 pp. \$6.75.*

**Selected Reading List on Human Relations in Management**—A comprehensive, annotated bibliography on human relations in management, prepared originally for executives attending the Fourth Utility Management Workshop and the Sixth Industrial Research Conference conducted by the Columbia University Department of Industrial and Management Engineering. Source material from such branches of the social sciences as psychology, sociology, anthropology, psychiatry, education, learning theory and management theory is included. *Department of Industrial and Management Engineering, Columbia University, New York, New York, 1956, 40 pp. \$3.*



# The Conference Board Management Record

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# What Inflates the Price Balloon?

Are "never-ending" wage increases the major factor in the inflationary trend today? This month's *Management Record* takes an over-all look at the problem of wages and inflation, and examines to what extent bargaining pressures have contributed to the inflationary rise. Various articles consider such questions as: What is wage inflation, and what is the relationship between productivity increases and wage increases? If we have wage inflation, is it good or is it bad? If bad, what is the price we must pay to curb it? Finally, where are we heading if we just let "nature take its course?"



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